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The Week

GENERAL Johnson made the blunder of his life when he permitted the open-shop automobile manufacturers to insert in their code a reservation regarding the guarantees of collective bargaining in Section 7 (a) of the Industrial Recovery Act. To be sure, the reservation only says that the employers reserve the right to "select, retain or advance employees on the basis of individual merit, without regard to their membership or nonmembership in any organization." To be sure, also, the code is only temporary and is to be in effect for a ninety-day try-out period. But neither of these facts is important. What is important is the bitter truth that the open-shoppers have been permitted to break down the plain meaning of the law. They will now be able to dismiss leaders of union activity on the ground of individual inefficiency and it will be almost impossible to prove that they are in fact trying to prevent the successful unionization of their men.

WHAT makes General Johnson's compromise the more tragic is that from all available evidence, it was unnecessary. The country is standing behind the President to an amazing and unique degree. He could have written a code for the automobile men, and forced it upon them, and public opinion would have backed him up. Here is another instance of General Johnson's mercurial temperament, his lack of an adequate background of knowledge and conviction in regard to labor. It is now perfectly clear that most of the increase in consumer purchasing power, if any takes place, must be won by labor itself, fighting its own battles on its own old, familiar ground. In the other codes already written, the government has given the working man assistance of great value in preparing for these coming battles; and even in the automobile industry, of course, Uncle Sam can still help the workers by refusing to act as a strike breaker when the men walk out, as they inevitably will. Nevertheless, General Johnson's defection is a hard blow. It remains for public opinion, the Labor Advisory Board and the representatives of organized labor in general to do everything they can to prevent a repetition of the disaster. Within twenty-four hours, ten codes had been submitted—including the all-important coal code—containing open-shop provisions identical with those in the automobile charter. Having himself made the hole in the dyke, General Johnson must now be compelled to keep it from getting any larger.

MR. Grover A. Whalen believes that the Communists are right, and he is getting ready to tell them so with nightsticks. The Communist-led unions have been calling on workers to strike. In a widely distributed circular they say that the Recovery Act "contains fine-sounding expressions about the right to organize and bargain collectively. But actually it is moving toward the abolition of the right to strike and a system of compulsory arbitration. Company unions, or else the reformist unions controlled by the A. F. of L.'s corrupt leadership, will be forced upon us by the bosses with the backing of the law, lest we unite and fight now." We believe that the Communists are mistaken as to the pur-

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poses of the Recovery Act, but Mr. Whalen seems to agree with them 100 percent, and he has been using his official post as New York City Chairman of the President's Emergency Unemployment Committee to prove that they are right in everything they say. Acting under his instructions, the New York City police have arrested six members of the Shoe and Leather Workers' Industrial Union: their trial will be a test case to determine whether radical labor unions have the right to picket any employer who flies the Blue Eagle. It is his idea that "the right to picket even in an orderly manner is suspended by the N. R. A. program." Chief Inspector O'Brien of the New York City police goes even farther. He asserts that any interference with the Recovery Act is in the nature of a conspiracy against the United States. If this is true, Chief Inspector O'Brien ought to march straight down to the financial district and arrest the representatives of several coal, steel and automobile companies which have been doing everything in their power to interfere with and conspire against the Industrial Recovery Act. Hunting down Communists at a time like this is like hunting foxes in a jungle full of hungry tigers.

WE ARE not qualified to judge the legal niceties of Mr. Whalen's argument. It is his contention that the right to picket rest upon the Anti-Trust Law. That law having been replaced by the Recovery Act, Mr. Whalen believes that its pro-labor provisions have been suspended. This is a question which the courts will decide one way or another, probably after such a long delay that everybody will have forgotten what the argument was all about. Meanwhile it is certain that Mr. Whalen's actions are in absolute contradiction to the whole spirit and purpose of the reëmployment program which he is supposed to administer. The aim of that program is to increase the purchasing power of the nation by increasing its pay rolls. It is by now apparent that manufacturers aren't going to raise wages out of pure patriotism. Pressure of one sort or another will have to be brought against them, and the most effective pressure is that of labor unions. The law makes no distinction between radical and conservative unions: any restrictions upon the Communist-led industrial unions are likely to ruin the A. F. of L. As a matter of fact, the Communist labor organizers have been extremely useful both to the A. F. of L. and to the recovery program as a whole (in spite of their opposition to it). Only the threat of a Communist-led strike has induced many industries to sign codes and to negotiate with the conservative union leaders. In this juncture, a revolution has taken place—President William Green of the A. F. of L., that Red-baiter of long standing, has actually supported the protests of a radical union. The present alignment of forces is against Mr. Whalen. We predict that he will have to eat his brave words one by one, even if they cause him indigestion.

A GREAT deal of nonsense is being written about Professor Raymond Moley's resignation as Assistant Secretary of State. It is based on the general idea that he was the chief member of the "brain trust," that he had lost prestige greatly with the President, that damage to the standing of one of the professorial advisers is damage to all, and that since he resigns and Secretary Hull stays, the President must be swinging from Moley's nationalism to Hull's internationalism. Most of these statements are untrue and the rest are exaggerated. Mr. Moley never promised the President to stay in Washington more than temporarily; the break between them following the London Conference was far less serious than the reports suggested; and there is not and never has been any brain trust whose members stand or fall together like the Three Musketeers. Mr. Roosevelt has taken advice and obtained information from many people, none of whom has ever had the hypnotic influence popularly attributed to Moley and to one or two others. On the contrary, the President has been much more Svengali than Trilby. If in recent weeks he has leaned less heavily upon Professor Moley than before, this has been mainly because the latter was not by training or experience well adapted to advise regarding the complicated economic problems with which the administration is at last forced to deal. But the President has not changed any of his important policies; he will undoubtedly continue to take Professor Moley's advice, and as editor of a new popular weekly devoted to public questions, he should be able to give the President reports on the public reaction to his policies which will be of great value.

AFTER negotiations which several times seemed on the point of failure, twenty-two of the leading powers have arrived at an agreement for worldwide control of the production and international movement of wheat. A price has been fixed which is eight cents (gold) higher than the present world price, and this will be maintained for four months before the wheat-importing countries begin to lower their present tariffs. The exporting countries will have world markets apportioned among themselves and, next year, their exports will be diminished on a basis of a production reduced by 15 percent. In the United States, Secretary Wallace has gone ahead with plans to curtail the American wheat acreage by this amount, and the farmers will receive, from the proceeds of the processing tax of thirty cents a bushel, about $125 million during the next few months. The unexpected success of the London Conference is generally attributed to the tactics of Secretary Wallace, who quietly mentioned at one of his press conferences that if agreement were not reached, the United States was prepared to ship abroad—for instance, to the Orient—large amounts of wheat which would be sold without reference to the cost of production. Secretary Wallace refers to this as "subsidized exports"; other and ruder people have been known to call it dumping.

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WHETHER this vast plan for worldwide control of an important primary product will actually work, is of course another question. The wheat-importing countries have not made a firm promise that they will not increase their own production, and Russia and the Danubian powers, while agreeing to limit exports, have not promised either to control or curtail their own growing. Some of the signatory powers may drop out of the plan within the fifteen-day period at the end of which it becomes a binding contract. If it works, it will be one of the great achievements of the Roosevelt administration, a forerunner of that worldwide economic planning which so many people believe is an absolute necessity if our civilization is to endure. If it fails, we shall not be substantially worse off than we were before the attempt was made; and the American program of reduction (which will curtail our crop by 124 million bushels) will go forward in any case.

GERMAN nationalism received a new fillip last Sunday when Chancellor Hitler addressed two huge and extremely provocative demonstrations in opposite ends of the Reich, incidents both of which may result in new appeals before the League of Nations. In Tannenberg, East Prussia, the scene of the greatest German victory in the World War, President Hindenburg was presented by the state with 6,000 acres of forest land, at a ceremony which aroused anew the slumbering disquiet on the Polish border. Thence the Chancellor flew to Rüdesheim near the Saar border in the south, where he addressed a meeting of 300,000 at the Niederwald monument, 100,000 of whom had crossed the frontier from the Saar region to pledge fealty anew to their German fatherland. The inhabitants of the Saar Basin, which has been the ward of the League of Nations since the Versailles Treaty, are to decide in January, 1935, whether it will return to Germany, become French or remain under the control of the League. Its rich coal mines, which are now being exploited by the French with the understanding that they may be repurchased by Germany in the event of its victory in the plebiscite, make this district a prize worth winning.

EVEN before the advent of Hitler, a German victory in the referendum was taken for granted. Out of a population of about one million, 850,000 are of German stock despite strenuous French colonization efforts. All parties, with the exception of a small pro-French Separatist group—and the Communist party—favored a return to German nationality. (The Communists demanded genuine independence.) Since the establishment of the Third Reich, the Social Democrats incline toward the Communist position. The Centrists who retained their organization when the German Centrist party "voluntarily" dissolved, are still uncertain as to the stand they will take. Three pro-French agitators were recently kidnaped by the Nazis, who are waging a terroristic campaign in that territory, and were released only after vehement protests to the Council of the League. Radio appeals from Germany, and literature distributed by German airplanes, are playing an important role in the plebiscite campaign. Municipal elections during the last three months have resulted in so many National Socialist majorities that even the Paris Temps conceded that the referendum would result in a German victory—unless it were postponed beyond 1935, and unless the interim gave a clearer, and disillusioning, insight into the workings of the German government.

THE federal government is rapidly being drawn in to regulate the milk industry in the most important producing regions. Acting under the authority conferred on him by the Agricultural Adjustment Act, the Secretary of Agriculture has already entered the Chicago and Philadelphia "milk sheds," and prescribed what the farmers producing milk for those areas should receive, what the consuming public shall pay, and in effect what the milk distributors are to get. Now the milk-control boards recently created in the states of New York, New Jersey and Connecticut, confessing that they cannot solve the difficulties of their respective states separately, have asked the national authorities to step in. A conference with the federal milk administrator, Dr. Clyde King, has been held, and detailed proposals are shortly to be submitted. All this results in shifting to one of the small, hastily assembled government organizations in Washington a mass of duties it is ill prepared to discharge. Both in the fixing of prices and trade practices and in the administration of such agreements and codes as may be approved by the Secretary of Agriculture, the federal officials, though clothed with the greatest powers and equipped with ability and talent, must rely largely on the assistance of the interested parties.

THE consumer is not organized to render such aid or to protect his interest. The farmer is only partly organized, and too often under a leadership which is suspected of, even openly charged with, having received favors from big distributors or having been inadequate for its task. The most powerful element in the entire industry, the most active, and the most vigilant, is the middleman, particularly the Wall Street holding companies which have control of a large part of the distributing business. These concerns have the means, the men and long established contacts and experience to protect themselves fully and, if they so desire, oppressively, against either consumers or farmers, or both. In this state of affairs, the federal authorities must seek quickly to build up relationships and even personnel for the purpose of protecting the unprotected. It is perhaps too early to conclude, as some elements have urged, that the state milk-control boards in some areas are too responsive to the great distributing companies. But the accusation, plus the revolt of newly formed farmer groups in some states against the action or inaction of state control boards, and

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the known connection of a board member here and there with banker-dominated companies, impose upon the men struggling with this problem in Washington a duty of skepticism and of finding out for themselves. The opportunities for obtaining special advantages and for defeating the farmer and the consumer in the administration of the law are many, as past experience in the milk industry has amply demonstrated. Secretary Wallace and his staff cannot be too vigilantly on their guard.

SECRETARY Ickes has created an interesting new job in the Department of the Interior and has given it to Clark Foreman, an economist and a director of the Commission on Interracial Coöperation. The position is that of director of "Negro economics," and Dr. Foreman's task is that of seeking to aid the appalling plight of the Negro, particularly in the South. There is and always has been wage discrimination against the Negro simply because of his color; and Dr. Foreman will do what he can to call attention to this and to work for its eradication. He will also attempt to coördinate the activities of various governmental agencies in relation to the Negro and to see to it that Uncle Sam himself is not guilty of discrimination. One of his first and most pressing tasks has to do with thousands of Negroes who have been dismissed from their jobs under the N.R.A. codes. When minimum wages have been raised through the operation of the codes, employers in many cases have dismissed Negroes, supplanting them with white workers. It is not to be expected, of course, that any government official can compel employers to end this discrimination. He can, however, help create conditions under which the Negroes can organize and fight for their own rights. The experiment will be worth watching.

AFTER ten years of litigation, the Chicago telephone-rate case is now on its way for the third time to the United States Supreme Court. With a few minor exceptions, the findings of the statutory three-judge court constituted a blanket endorsement of the contentions of the Telephone Company. Had the reduced rates against which the Company was complaining been in effect since 1923, the court found, its earnings over the ten-year period would have averaged 2.74 percent below the minimum permitted by court interpretation of the Constitution. But here is the joker. Upon the same figures, the actual earnings of the Company under the existing rates—during the heyday, be it noted, of post-war prosperity in this country—averaged 1.76 percent below the minimum point of confiscation fixed by judges expounding the Fourteenth Amendment. Surely this is the *reductio ad absurdum* of prevailing doctrines of utility valuation. If the learned judges of the highest court will compare these figures with the dividend record and financial rating of the Illinois Bell Telephone Company as given in such standard manuals as Moody's "Public Utilities," and ask themselves the simple question, "Does this make sense?" they may be prompted to examine more critically the process of legal legerdemain by which the court below arrived at so preposterous a result.

Public Works to the Rescue

THE INDUSTRIAL aspect of President Roosevelt's Recovery Program, as it stands today, is a failure. By this we do not mean the obvious and simple fact that we were promised reëmployment for 5 million men by Labor Day and that, while statistics are lacking, it is apparent that nothing of the sort has taken place. We refer to the far deeper and more fundamental truth that the program, as it is being carried out, is not bringing back prosperity, and cannot do so unless it is radically altered. To be sure, this is no news to anybody—just now. It is not news to the economic experts, because they have realized for some time that it was bound to be true. It is not news to the public, because the public has not yet waked up to the fact. When it does, we may expect fireworks.

In previous issues of The New Republic, we have analyzed some of the difficulties in the way of this program, and they need not be repeated in detail at the present time. Both the plan for industrial codes and the Blue Eagle scheme were predicated on the assumption that capital would make voluntary sacrifices for the benefit of labor, in a spirit of patriotic endeavor, and also because the capitalist, if the scheme worked, would profit enormously from the increase in business which would then ensue. It should be noted that this plan contemplated no fundamental reorganization of our moribund economic system. Its central feature was an application of the old Hoover-Ford doctrine of high wages, exercised in a time of desperate economic distress and not, as it was originally conceived, when ample profits were being produced. Since everything depended upon the restoration of consumer purchasing power, Mr. Roosevelt and his aides argued that employers would increase wages, shorten the working weeks of individual employees, eliminate wasteful practices and thus make it possible for the wheels of industry to revolve with accelerating speed.

Employers have carried out these policies to some extent. Many thousands of persons who were receiving wages of less than $12 to $15 per week have been raised to these amounts. Working hours have been shortened for large numbers of employees, without corresponding reduction in their weekly pay. Undesirable practices in many industries have been done away with. Moreover—and this is to date the most important effect of the recovery program—labor unions have been organized in shops and even in whole industries where none existed before. It is probable that, in the future, these unions will be able to raise wages and buying power permanently above the sweatshop level. But the government cannot afford to wait for this to

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happen. The time bomb is ticking; something must be done to stimulate business this season, this very month. It is plain that all the things so far accomplished are not enough. Nobody yet knows what has been the total amount of reëmployment or the total increase in pay, but there is no evidence that all the factors together have produced any serious alteration of the underlying situation.

Things have for some time been getting better, on the whole, not only in America but in most of the leading countries of the Western World. If we subtract from our total reëmployment that to which we would be entitled on a basis of the worldwide recovery, the remainder is disturbingly small. If we compare the increase in wages with the increase in price of most of the elements which enter into the cost of living, it is hard to see how the bulk of the population has obtained any substantial improvement in its purchasing power. To be sure, a few people with surplus funds are spending more freely than before, partly because of heightened confidence and partly because of rising prices; but every economist knows that increased buying which is based on the psychological factor is not of determining importance in such a critical situation as our own.

It is undoubtedly true that thousands of employers are displaying the Blue Eagle today without having made any sacrifice whatever in order to do so. Their workers were already receiving more than the minimum rates prescribed in the codes; they have ignored, and Washington has permitted them to ignore, the requirement that all wages be raised wherever possible; their business was so far below normal that it can readily be maintained in the shortened work week. All the ballyhoo in the world, unlimited floods of oratory, hysterical drives and mass boycotts, are not going to persuade people to spend money they haven't got. A wise Washington observer summed the matter up neatly when he advised a group of industrial firms: "Coöperate with the President—but don't bankrupt yourself." Nobody is going to bankrupt himself; no manufacturer is going to weaken his competitive position with other manufacturers; they must all move together or not at all—and in an alarming number of cases they are simply not moving.

The government is trying to help solve the dilemma by ordering the Reconstruction Finance Corporation to make loans through the banks to help N.R.A. members who find themselves financially squeezed because of the added burden brought about by the new conditions. But no one has charged that the banks are sabotaging the program by withholding credit from those who are entitled to it on a sound commercial basis; and not even the United States government can afford, from its present revenues, to continue very long lending money to those who are not in a sound position. Such relief is, like so many of the government's present measures, temporary, inadequate and overadvertised in the Washington dispatches.

Many people believe that the government will now turn to inflation and that this will magically solve all our difficulties. The answer to these hopes is threefold. First, it is now clear that monetary inflation, as opposed to inflation of credit, has lost ground badly in the past few months, and will be used only as a last desperate resource. The fear that it is coming is meanwhile unsettling business and, though it is a spur to higher prices, its net effect is probably to delay recovery. Second, even credit inflation, such as is now being tried on a newly enhanced scale, comes up against the obstacle that no matter how much pressure is put on them, the banks are unwilling to make loans which they regard as insecure. Third, a majority of the country's best economists believe the devaluation of the dollar is much overrated as an instrument of recovery: that it is more useful to set the seal upon a completed process than to do the work of readjustment,

At this juncture, it is necessary to turn again to an instrumentality which has been thrust into the background by the pyrotechnics of General Johnson and his Blue Eagle: the public-works program. The General seems to have hypnotized, not only the country as a whole but official Washington, into the erroneous belief that his activities, which would be an excellent improvement in a time of prosperity, will also serve to bring that prosperity about. As disillusionment grows, we believe that increasing attention must and will be given to this neglected aspect of the government's plan. Though Congress appropriated $3,300 million for public works, even the highest estimates indicate that only about one-third of this amount has been allocated; and more than half of the funds already earmarked are for roads and for naval building. Secretary Ickes, who is in charge of this work, is an able and conscientious man; but he is confronted by a task which is probably greater than any one individual should be called upon to perform. There are several things to be said in his behalf: politicians attempted to waste hundreds of millions in highly undesirable patronage projects; much money has been allocated and then not spent by the groups to whom it was entrusted, so that the government now proposes a clause canceling appropriations if the money is not expended at once: some sincere advocates of regional and city planning have argued for delay until new projects could be created which were in harmony with their ideas—a point of view with which The New Republic is generally sympathetic, but one which need not actually cause further postponement.

In the present crisis, good reasons for delay are less desirable than bad reasons for going ahead. The government is the one agency which can contribute substantially to the creation of consumer purchasing power and the expansion of durable-goods investment. It can best do so through public works. The amount of $3,300 million is probably inadequate, and it seems likely that Congress may need to meet in special session earlier than next January and appropriate large additional sums, both for this purpose and for further relief of the unemployed. In

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the meantime, as Mr. John T. Flynn points out in an article on page 99 of this issue of The New Republic, let us in the name of heaven spend the money already earmarked for this purpose. Let Secretary Ickes draft to help him an emergency committee of the most competent men in the country, robbing other government departments if necessary for the purpose of completing this group. If this is not done, and done quickly, all signs point to another serious crisis late this autumn—and as General Johnson said the other day, this country cannot stand another crash.

Italian Spider and Balkan Web

WITH the publication of the agreement reached in the talks at Riccione between Mussolini and Dollfuss, the Duce has openly abandoned his policy of friendly warnings to Germany in favor of more drastic methods. Hitler's continued attacks on the Austrian government by radio and airplane, even after the Italian Premier had made himself virtually responsible for Germany's good behavior by transmitting to the British and French governments its pledge to refrain from further interference in Austria's affairs, has evidently aroused Mussolini's deep resentment. On the day after the German Reichstag Deputy Habicht, the "Nazi Inspector" for Austria, broadcast a particularly scurrilous attack on the Austrian government, his invitation to the Austrian Premier was sent. It contained, according to Herr Dollfuss, a pressing request that he come to Italy at once to discuss Austria's protection in earnest.

This invitation and the measures since agreed upon are pointedly directed against Germany. Italy concedes to Austria a free zone in Trieste, with the understanding that it will concentrate in that port its foreign trade which formerly went through Hamburg. Austria is to build a mercantile fleet which will fly the Austrian flag and have its headquarters at Trieste. In view of the fact that Austria's total export trade amounts to less than $10 million per month, the expense of building a mercantile fleet is disproportionately great and will be unrealizable for poor Austria for some time to come. Obviously it is the purpose of the transaction to develop Italian shipping and commerce at the expense of Fascist Germany. An unselfish desire to help its erstwhile ally of the Triple Alliance would have prompted Mussolini to return Trieste, giving Austria free and uncontrolled access to the Mediterranean and Adriatic seas. But sentimentality has never been the Italian dictator's weakness.

It is agreed that Italy shall purchase raw material and manufactured goods from Austria; in return the latter is to buy agricultural products and textiles from its southern neighbor. Both will grant preferential tariffs. In either case Germany will be largely eliminated from Italian and Austrian trade, assuming, of course, that the present agreement is more than an attempt to frighten Germany into reasonableness.

Confirmation from Prague of the report that Dr. Benes, the Czech Minister of Foreign Affairs, is shortly to visit Rome would seem to indicate that Italy's intentions are serious. It suggests that Italy and the Little Entente (Czechoslovakia, Rumania and Jugoslavia) are about to bury the hatchet and to work together in amity once more. Hungary and Austria, thanks to Mussolini's intervention, are already on the best of terms. Bulgaria, not connected with any of the recognized European groups, will also be brought into line.

The Little Entente was conceived as a defensive alliance, under French influence, against Italian aggression. The newly created countries of Eastern Europe feared Italy's expansionist intentions in the Balkans and believed that Mussolini's support of the German-Austrian-Hungarian revisionist demands would further the German-Austrian Anschluss movement for a Greater Germany which would permanently menace their national sovereignty. France and its vassal states looked upon the Duce as the most dangerous opponent of the French hegemony over Europe, one who would restore the Triple Alliance of pre-war days, but under Italian instead of German leadership. All that has changed. Today France regards National Socialist Germany with its frenzied armament program as far more dangerous than Italy. Relations with that country are becoming more friendly from day to day. Who, only a few months ago, would have thought it possible that the handsome road which connects Paris with Versailles would one day be called "Mussolini Boulevard"? Benes' visit to Rome must mean that France has become reconciled to Italy's predominating influence in the Balkans, accepting this as the price it must pay for an alliance with Rome against aggressive Germany.

What will Germany do? Look passively on while its Austrian dreams and its aspirations for a Greater Germany "uniting all Germanic peoples" vanish into thin air? Hardly. It has two alternatives. Either, through Mussolini's recently proffered mediatorship, it may be able to force Austria to agree to a speedy parliamentary election which would give the Nazis in Austria legal and constitutional control of the government; or else it may take Austria "by storm." Rumors of the existence of an "Austrian Legion," consisting exclusively of Austrian citizens, as a part of the German Storm Troops, have been confirmed. There are more than 360,000 Austrians in the Reich. This does not, of course, mean that the Nazis contemplate an invasion of Austrian territory. But it is quite possible that these well trained and fully equipped legionaries, now stationed in Bavaria, would cross the border in the event of a National Socialist uprising in their mother country.

If the powers of Europe still wish to save Austria they will have to dig deep into their pockets.

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Handsome gestures in the shape of free ports for phantom exports will not suffice to rehabilitate that bankrupt nation and stabilize its political affairs. Austria's foreign loans alone amount to $500 million, from which $40 million must be paid in interest annually, out of a total national income of $110 million. The government is silent as to the extent of its national indebtedness, but the size may be estimated from the fact that the government has made forced loans from the savings banks that amount to hundreds of millions. The salaries of public officials have been reduced 30 percent during the Dollfuss regime and another reduction has just been announced. New taxes have been levied and existing taxes increased. The meager unemployment-insurance payments will shortly be cut still more drastically; instead of $11 per month, the unemployed worker will then receive $6. Only very liberal financial support from Great Britain, France and Italy, with the creation of a federation of Danubian states thrown into the bargain, offers any hope of saving Austria from complete collapse.

A Congress against War

UNUSUAL significance attaches to the United States Congress against War, which will convene in New York City September 29. For the first time, organizations ranging all the way from the Right to the Left have united in a common grouping. Although the Socialists have now withdrawn from the conference, Norman Thomas served for some time on the committee of arrangements—with William Z. Foster, among others—and more than fifty organizations, with a combined membership of more than 600,000, will still be represented at the Congress. Aside from the Communist party, the list includes groups from the A. F. of L., and such liberal and pacifist bodies as the League for Industrial Democracy, the Civil Liberties Union, the Fellowship of Reconciliation, the Women's Peace Society, the War Resisters' League and the Women's International League for Peace and Freedom.

The Congress is committed to no program in advance and is not bound to accept the resolutions of the Amsterdam Congress, the parent body out of which the present Congress springs. It is to be given over to discussion, on as broad a basis as possible, of the means of struggling against war, and the steering committee has guaranteed that concrete suggestions representing all points of view will be heard, in the hope that the Congress can unite on a single policy of action.

The United States Congress comes after a series of resolute attempts to make a united anti-war front in the past year. The Amsterdam Congress was held a year ago, and has been followed by the British Congress, at which the delegates of six hundred organizations, representing two million people, formulated a program directed toward stopping the transport of munitions; by the Latin American Congress at Montevideo; and by the European Congress at Paris. An attempt is now being made to hold an Asiatic Congress at Shanghai. All of these meetings have assembled in spite of great difficulties, and in some cases, particularly at Montevideo, in spite of physical danger to the delegates. The World Congress, for example, was refused admitttance into Geneva, London, Paris and Brussels, and was held in Amsterdam only after the Dutch government had refused to allow the presence of the Russian delegation. Nevertheless, more than two thousand delegates—half of them workers—from twenty-seven countries came to the Congress, arriving on foot and on bicycles, some of them crossing the European borders by "underground" routes. The means of struggle against war voted by the different congresses have centered on the simple policy of seeking to stop them, or to prevent them from occurring, from below—by stopping the transport and manufacture of munitions, by continually pointing out the dangers of war to the classes which suffer most from it, and by making war a threat, not to the ruled classes of each country, but to the rulers.

To be sure, no realistically minded person supposes that congresses like this can have much effect upon any of the situations where war now threatens. They are not to be regarded as revival meetings at which whole nations are suddenly converted from sin and violence to peace and good will. The people who need to be converted are not likely to attend them. But a congress like the one about to be held in New York City may lead in the future to definite results. Its success is to be measured, not by the enthusiasm which it arouses at the moment and the fine resolutions it adopts, but rather by the patient organizational work required to perpetuate this enthusiasm and to put these resolutions into effect. It will have done a great deal if in the course of these threatening years it can tell the public in general, and the workers in particular, what the costs of war must be and who pays them, and if it makes clear that the greatest single factor making for war is international economic aggression.

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Preparedness for What?

THE EASE with which the navy has sold its new building program to the American people affords another example of the state of public confusion which invariably surrounds questions of national defense. As a result of the naval program the American taxpayer is now faced with the certain prospect of a national-defense budget which in the course of the next few years will run up to nearly three-quarters of a billion dollars. The pleasant assurance that the new ships are to built from public-works funds does not, unfortunately, take into account the fact that ships, once built, must be maintained and operated—at a cost of several hundred millions a year. The annual recurring charges of a treaty navy, it is estimated, will be approximately $439 million. Add to this the cost of an army which is spending another $300 million on its present "curtailed" budget, and you have some idea of what lies ahead.

But more important than budgetary prospects is the question of policy. And here, apparently, the public hasn't taken the trouble to ask what is the justification, and what the consequence, of the policies behind these programs. The new naval policy, it is true, offers an imposing list of vital functions to back up the need for a fleet "second to none." Thus we are told the mission of the navy is to support "the national policies," and to "control the sea in defense of the nation and its interests." A treaty navy is essential, moreover, to "protect American life and property," and to foster "the development of American foreign commerce" (*if anything is left after Secretary Hull's effort at* London), not to mention such worthy objects as foreign cruises "to cultivate friendly international relations."

Just how the navy intends to promote American foreign trade is not explained in the official circular. Nor is it altogether clear how the navy proposes to control the seas, say in Far Eastern waters, where the Washington and London treaties give Japan an undoubted superiority even over an American fleet built up to the maximum limits. The truth is that when the United States gave up the right to fortify naval bases in the Pacific at the Washington Conference, it relinquished the power to control the seas in the Far East. Even more perplexing is the claim to defense of national policies. For a time at any rate the United States considered itself pledged to renunciation of war as an instrument of national policy, and several Presidents have assured the world that what we asked was an army and a navy strong enough to defend American soil.

Nothing could be further from the mind of the army and navy than a national-defense doctrine based purely on defense. To the admirals who draft the policy sheet, defense of American soil is only incidental to the larger aim. What these high-sounding phrases really mean is that the admirals want the biggest possible navy for the next war. The only regrettable feature of such a policy is that it makes the next war inevitable.

But while the navy is busy with its new program, the army, too, is carrying out a military program based only remotely on defense. In many ways the army program is even more remarkable than the navy's. It calls for mobilization of three or four million men, and is based presumably on the National Defense Act of 1920—an act which the War Department persistently calls "the first real military policy the United States ever had."

The truth is that the National Defense Act does not lay down a military policy of any kind. It is primarily concerned with preparation for war, which may, for all the army knows, endanger American interests tomorrow in Europe or Asia or even Siberia. And the particular kind of war which the National Defense Act contemplates and for which the General Staff is preparing, is another world war, fought on the scale of the last War and waged with the same obsolete tactics. "Immediate mobilization" of the man power and industrial resources of the nation is the first objective, with the peacetime army as the nucleus for a fighting force of 3 or 4 million men, to be raised by conscription during the first year of "a major conflict."

The mobilization plan is the beginning and the end of our national-defense system. There is *nothing* else. The regular army—138,000 officers and men—exists only as the first and most important component of the armed forces to be raised under the general-mobilization plan. The plan itself, however, is not laid down in the National Defense Act. The War Department, through its War Plans division of the General Staff, has been given a free hand to perfect this elaborate project and for the past twelve years has devoted its best energies to the task. The plan rests on two assumptions: first, that immediately upon the outbreak of war the President will be given ample statutory powers to mobilize promptly and to use effectively the man power and the material resources of the nation; and, second, that Congress will pass a universal draft law on or before the first day of mobilization. On these assumptions, the General Staff calculates that 11 million men between the ages of twenty-one and thirty will be made available for military service. From this reservoir approximately 4 million men will be drawn to meet the requirements of the mobilization plan during the first twelve months of hostilities. On the material side the plan envisages

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rapid manufacture of the thousands of essential articles needed to arm and equip the four field armies. The confusion of the last War is to be avoided and American industry is to be mobilized as thoroughly as American man power—although industrialists, unlike the men who serve at the front, will be guaranteed a nice profit in return for their patriotism.

The story of how the United States came to adopt this system, which is foreign to American traditions and entirely unsuited to American needs, makes a paradoxical chapter in our war history. In 1914 our General Staff was content with a little army of some 85,000 men, which was quite sufficient for any defensive war which could then be foreseen. The members of the General Staff emerged from the World War with an army of 4 million men, a vastly wider horizon and a firm belief in the doctrine of the nation in arms, on which the World War was fought. Naturally enough, they wanted to keep this new kind of army. They believed passionately in immediate mobilization and universal military training and convinced themselves that America would never be properly prepared for the next war unless it preserved just such an army as they had commanded in the last one.

Now the doctrine of the nation in arms is a hardy survivor of nineteenth-century military ideology, first expounded by Carl von Clausewitz and developed by Scharnhorst and Moltke in Germany. After the triumph of German arms in 1870-71 the military powers of Europe hastened to remodel their war machines after the pattern of Moltke's Prussian juggernaut. Von Clausewitz was elevated to a pedestal (from which he has not yet been removed) and mobilization of man power was hailed as the one and only means of winning a war. Thus the nation in arms had become the accepted system throughout Europe by August, 1914, when the doctrine was put to its greatest test.

The results of the test scarcely strengthened prevailing theories. In the words of one able, if not orthodox, military expert, Captain Liddell Hart, the use of huge mass armies on the Western front simply "reduced warfare to stagnation and generalship to attrition." The defensive superiority of machine guns in alliance with barbed wire and trenches produced a tactical stalemate which lasted for four years and impoverished victors and vanquished alike. Millions of lives were sacrificed in a futile effort to break through machine-gun defenses with infantry tactics developed in the Napoleonic campaigns; mobility was hopelessly lost and mass armies were exposed as costly, cumbersome and ineffective instruments.

When the carnage came to an end, however, the new and disquieting lessons of the battlefield were quickly forgotten and the old order of things was restored as rapidly as possible. Before 1918 was out, as General J. F. C. Fuller sardonically observes, "all armies had got back to the infantry idea in tactics and prolonged conversations were held on the advantages and disadvantages of the long and the short bayonet." Next to the Church, adds this discerning British General, no human institution is so conservative as an army.

But for the American army, getting back to "the old order of 1914" meant adopting the theory of the nation in arms. So it was that Newton Baker and General Peyton March, then Chief of Staff, scurried up to Capitol Hill a few weeks after the guns in France had ceased to fire with a plan for a Regular Army of more than half a million men and universal military training for all able-bodied American boys, to provide, as they explained, the "nucleus" for a war army of 3 or 4 million men.

Unfortunately, in the confusion of "getting back to normalcy," Congress and the country failed to grasp the full meaning of the new doctrines proposed by the War Department. Congress had no objection to the idea of "immediate mobilization of man power," but it had strong objections to almost every logical requirement of immediate mobilization, including those two essentials—compulsory military training and a large professional army. Reflecting America's traditional antipathy to compulsory military training in times of peace, and its distrust of a big standing army, Congress scrapped the whole War Department bill and substituted a compromise measure which contained neither of these objectionable—but technically essential—features. Then, having rejected the logical requirements for immediate mobilization, it turned a handspring and insisted, as the basic provision of the law, upon "complete and immediate mobilization of the man power for the national defense."

The result was hardly satisfactory from any point of view. From the purely military view the War Department is left to carry out a general-mobilization scheme without the elements essential to mobilization. It has no trained reserve and it has no effective means of training a reserve. True, it has its plan, and it has 120,000 men in the Officers' Reserve Corps, some of whom have had war experience and are still physically fit for service. But a majority, the records show, are either beyond the age of active service or are youthful R.O.T.C. graduates with less than six weeks' training at a summer camp. The enlisted Reserve Corps—which should be the backbone of any effective mobilization scheme—is able to boast an enrolment of 6,000 men. This is "the reservoir of trained men" upon which the General Staff must depend to supplement the Regular Army and the National Guard in carrying out its ambitious mobilization plan!

The Regular Army is not much better off. Although Congress provides for 120,000 enlisted men and 12,000 officers (and pays for them at the rate of $200 million a year), the General Staff is forced to confess that it has not been able to create

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an effective mobile force, that it could not provide the covering troops to hold back the enemy, as required in the mobilization plan, and that it could only furnish its one field army many months after the date of general mobilization. Indeed, it may be doubted whether the General Staff could immediately produce a single full-strength division without disrupting other units. Paradoxically enough, the reason for this sad state of affairs is that the Regular Army must be broken up into absurdly small units and distributed all over the country in order to train the citizen components on college campuses and in summer camps to carry out their part of the mobilization plan! Such is the logic of this scheme which insists upon mobilization without providing the first essentials.

From the political point of view, the effect of the National Defense Act is equally disconcerting. Not only has it no relation whatever to national policy, but it conflicts with a foreign policy ostensibly based on the principles of the Kellogg Pact. If we protest Japan's use of armed force in Manchuria and reject her claim that "self-defense" is not confined to national boundaries, how are we justified in maintaining an army for the defense of our own national interests in Asia and elsewhere, the assertion of our rights and the "exercise of our influence in international affairs"? And how at Geneva can we expect other nations to reduce what they regard as essential to their "self-defense"?

What is the answer? Obviously we need a definite military policy as distinct from a mere system of military organization. That we have no policy is readily admitted. General March openly boasted to the Military Affairs Committee of the Senate at the time of the hearings on the National Defense Act that the War Department program was "framed on its merits, without any regard whatever to national policies or international policies." We must decide what we want an army and a navy for, and what objects can be really attained by these armed forces. We must decide, as we failed to decide in 1920, whether we want to defend American soil or whether we want to be "prepared" for the next world war.

If we really want to be prepared for the next world war, then the National Defense Act is dangerously defective and should be overhauled at once. If we are going to intervene as a belligerent and send another army overseas, we will need a strong, trained reserve and we will have to swallow our objections to conscription, compulsory military training, a large and expensive professional army and all the rest of it. We must authorize a big program for expansion and speed up naval construction. Parity will scarcely be sufficient if we are faced with a hostile combination of powers or are forced to transport those four field armies to enemy shores. We will need tanks—thousands of them if we are to make any headway against machine-gun defenses—and heavy artillery and probably poison gas (at least as insurance in case the enemy should forget the humanitarian rules of war). Anything short of this will be inviting disaster. And to *pretend* that we have a sound system and an effective nucleus for mobilization is even more dangerous, as it only tempts us to adventure.

But on the other hand, if the primary object is to defend American soil, then our problem is very different. Invasion is something that can be gauged with a fair degree of certainty. There is no immediate danger from Canada or Mexico and no need of rushing through a new line of fortifications. An Asiatic or European power contemplating invasion of our shores has the practical problem of transporting an army across several thousand miles of water, establishing a base and holding a line of communications on hostile territory. One need not be a military expert to assert with some assurance that mobilization of four field armies and 4 million men is hardly required to repell invasion. In all probability a small mobile force of two or three army corps (100,000 to 150,000 men) organized in mechanized units and supported by a small defensive air corps and a navy capable of holding American waters would be more than sufficient to prevent any foreign soldier's landing on American soil, even including Panama and Hawaii. (The Philippines could not be defended against an Asiatic power in any event, unless the navy had command of the seas.) Thanks to our geographical isolation, a huge mass army is entirely unnecessary, if not actually an obstacle, to the defense of American territory.

Which of these is the wise and expedient course for the United States to follow? The answer, I submit, must be predicated upon a policy which is in harmony with our international commitments, which is adapted to our needs and is at least capable of application. Until we decide what we expect from armed forces and what objects they are really able to carry out, we shall continue to be mired in confusion.

WILLIAM T. STONE.

Dogma

Love is not true: mathematicians know
Truth, that's alive in heaven, and in the mind—
Out of our bodies; you will never find
Love strict as number, and enduring so.
It is not free: alone the grave's narrower
Than the little space in which this passion moves,
With a door that opens inward: he who loves
Measures his paces like a prisoner.
They who give it large names are liars, or
They are fools. More softly, you and I,
Slow to assert what we can never prove,
Wonder what algebraist, what dictator
Can teach us much of truth or tyranny.
Look at me. Do not speak. But this is love.

BABETTE DEUTSCH.

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Enemies of Unemployment Insurance

THE YEAR 1933 opened with the brightest prospects for the enactment of unemployment-reserve legislation. The ice had already been broken by the state of Wisconsin last year. Eight state commissions were studying the subject and most of them were reporting favorably. Over forty state legislatures were meeting and bills were introduced in all the important states. Unemployment was increasing and Democratic Governors and legislators were taking office under a national platform advocating state legislation on unemployment insurance. The movement received a good deal of publicity and considerable effort was expanded in its behalf.

The legislative year is now practically closed. Despite all the favorable conditions not a single state has put an unemployment-reserves law on its statute books this year. The confident predictions that states like New York, Ohio, Maryland, etc., would enact these laws have failed to materialize. In the few states where bills passed one House it was definitely understood that they would be killed in the other House. Even the Wisconsin act, which was to come into operation this summer, will remain ineffective for some time to come.

Yet 1933 has not been barren of other social legislation. On the contrary, this year compares favorably with any year in our social-legislative history. It has been the most fruitful year so far in old-age security legislation. Nine new states have been added to the pension roll. It also stands out as the best year in minimum-wage legislation, which was enacted in seven states; in progress toward adoption of the child-labor amendment, which was ratified in nine states; in the outlawing of yellow-dog contracts and in the easing of mortgages. The radical legislation enacted by the Congress of the United States will, of course, remain memorable for many years.

Why then have the unemployment-reserve bills failed so miserably? Their defeat cannot be explained either by their novelty or by their radicalism. Congress and the state legislatures passed far more novel and radical laws this year. It is my sincere belief that a considerable share of the failure can be ascribed to the obstacles inherent in the bills so far presented. The sponsors of these laws have made two serious errors: (1) They have introduced bills essentially utopian and meaningless for practical purposes which failed to arouse real enthusiasm on the part of either the masses or legislators; (2) The academic friends of the movement, who have been largely responsible for the drafting of these bills, have failed to understand the practical processes of legislation.

Many of the bills presented in the legislatures this year have been modeled after the Wisconsin Unemployment Reserve Act. Although it is frequently called an unemployment-insurance act, the unemployment-reserves plan has, in reality, nothing in common with insurance, since it neglects the basic principle of the distribution of risk. The Wisconsin plan sets up segregated reserves for each concern, and unemployed workers can draw only on the reserves of their individual employer. There is no pooling of reserve funds.

Under the Wisconsin plan only the employers contribute. Each employer is required to pay 2 percent of his pay roll to his individual reserve fund. When the individual fund has accumulated a total equal to $55 for each employee, the employer's contributions are reduced to one percent. When the fund reaches $75 for each employee, the employer ceases to contribute. The maximum benefit which can be paid to an unemployed worker is $10 per week for ten weeks in any one year. But when the reserve falls below $50 per worker, the maximum benefits are scaled down $1 weekly for each $5 of such deficiency.

Both the weekly and the total amounts available under this reserve plan are manifestly inadequate in the face of present-day unemployment. Moreover, with present wage scales it will take over three years to build up the reserves, even for full-time employees. Indeed, the inadequacy of the reserve plan as a method of relief is freely admitted by the more candid proponents of the system. As a measure for providing security for the unemployed little can be expected of it.

The advocates of unemployment reserves, however, declare that their chief aim is not relief but the reduction or even abolition of unemployment. They believe that by penalizing employers at the rate of one or two percent of their pay rolls, every firm will be driven to stabilize its production and to eliminate unemployment. In effect the advocates of the plan insist that stabilization of industry is far more important than security and relief for our workers today.

Although this plan seems unrealistic and utopian today, it must be conceded that it did not seem so illogical when it was first suggested by Professor John R. Commons in 1921. When Professor Commons proposed his bill, which has gradually been modified into what is now known as the "American Plan," nothing seemed impossible or utopian in the United States. It was believed then that compensation insurance, the premiums of which are paid wholly by the employer and based on the degree of risk in each plant, was actually preventing accidents. Since the last few cyclical

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depressions had been of comparatively short duration, and the main problem was that of seasonal unemployment, it seemed logical to believe that a similar system of unemployment compensation would result in reducing unemployment. It was not until some years later that Downey, Bowers and other authorities showed that workmen's compensation costs have actually neither reduced nor prevented accidents.

Moreover, in 1921 we were just entering the era of belief in American industrialists as miracle workers, who could stabilize production and reduce or eliminate unemployment if they so desired. Magazines were filled with descriptions of these wonder masters. Books were written urging American industry to accomplish the impossible. It was the conviction of even reputable economists that if the good industrial managers were shown the way to abolish unemployment, and the bad ones were punished for their lethargy, unemployment could be wiped out or at least greatly reduced.

The pathos of the situation is that after nearly four years of unprecedented unemployment, and after the complete failure of sincere attempts at stabilization of a number of individual companies, those interested in relieving the distress caused by unemployment should neglect all the lessons of the past decade. Even a child knows the helplessness of individual firms in attempting to keep their plants open through a prolonged depression. It is almost incredible that professed friends of social insurance should still insist that the chief aim should be the stabilization of employment rather than security and relief for the unemployed.

In the writer's opinion, the very unreality of the proposed system of unemployment reserves has been its biggest obstacle. Such utopian dreams can elicit only lukewarm enthusiasm among legislators and politicians, and inevitably receive only half-hearted support from the rank and file of workers and labor unions. The project of abolishing or reducing unemployment while adhering to the competitive system of production may be a worthy diversion for intellectuals, reformers and academic theorists, but unemployed workers who are interested in direct relief and security for the future can hardly be expected to wax enthusiastic over such proposals.

The unemployment-reserve plan has made no progress, not only because its utter inadequacy cannot elicit any real support outside the walls of our colleges, but also because its program reveals a complete misapprehension of the forces and influences which determine legislation. The unemployment-reserve plan places the entire cost upon industry and requires no contributions on the part of either the workers or the government. Not only is this thoroughly bad social-insurance theory, which demands that the burden be distributed upon all elements of society, but it is inexcusably bad tactics. One of the chief reasons given for placing the entire burden upon the employers, in addition to the desire to promote stabilization, is that without governmental contributions such a bill is easier to pass. Governmental contributions, it is argued, would arouse the ire of the taxpayers who demand economy and not additional taxes, and so would threaten the bill's passage.

My own legislative experience indicates that this is an almost insuperable error in tactics. This same mistake has even been made in the bill sponsored by the Ohio Commission on Unemployment which, unlike the Wisconsin plan, is based on true insurance principles and seeks security rather than stabilization. Persons familiar with legislative processes know that the taxpayer is a very minor deterrent to the success of social legislation. Not only are no two taxpayers agreed on the same proposition, and not only are many taxpayers also workers, but, furthermore, the general taxpayers are not organized and have no lobby to fight for their interests. The organizations going under the name of Taxpayers' Associations are in most instances composed of the same brethren who make up the Real Estate Boards, the Chambers of Commerce, the Manufacturers' Associations, the Economy Leagues, etc. The only defender the real taxpayer ever finds—and that but rarely—is his newspaper, which, at the worst, can only write an editorial. But fortunately, or unfortunately, the average legislator never gets to the editorial page and, if he does, he forgets it promptly. Had legislators been guided by editorial opinion, we would not have this year got a single old-age-pension law in the states where we did enact them, and would have enacted laws in every state where we were badly defeated.

The real enemies of social legislation are the powerful lobbies maintained day and night by the organized groups who, under the guise of all kinds of fancy names, are fighting bitterly for the protection of their own special interests. The lobbies of the Manufacturers' Associations, the Chambers of Commerce, the Real Estate Boards and the railroads stay in the legislative halls day and night. Their lobbyists sit with the legislators; they eat with them; they drink with them; and sometimes even sleep with them. They are there for one purpose —to defend the interests of those who pay their salaries and fat expense accounts.

It is but natural that they should fight hardest when their interests are directly hit. When a bill aims to soak the bosses, the servants of the bosses sleep less, dine more, drink more, and work harder. Bills like the Wisconsin Unemployment Reserve Plan, which place the entire cost on industry, serve only to spur these powerful forces to more determined opposition.

And just at this time their risk is not overdifficult. Their argument that now, when industry is in the lowest depths of depression, is no time to place such a burden upon it, seems plausible enough. Were the costs distributed among all concerned their arguments would not be so plausible, and

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legislators would be less sympathetic to their pleas. A willingness on the part of the state and federal governments, as well as the employees, to share the burden would undermine the biggest defense employers now have against the adoption of unemployment-insurance legislation.

I do not, of course, mean to imply that if the cost is spread among the employers, employees and the government, as in Great Britain, these lobbies would stop opposing unemployment insurance. Of one thing we may be certain—American industrialists will oppose any and every piece of social legislation regardless of its merits. American employers fight for their ideals and their sacred principles even when they go counter to their own economic interests. This may seem strange but it is true.

Since only a few states will have regular legislative sessions in 1934, and the big drive for unemployment insurance cannot come before 1935, it is both timely and pertinent for the friends of the movement to think through the issues involved. Little can be gained by a refusal to face the obvious facts. Security for the unemployed should not be delayed by false notions or economic idealism.

It is no more the mission of unemployment insurance to abolish unemployment than of life insurance to abolish death. An unemployment plan must aim to provide security for the unemployed. This can be achieved only by a pooled fund operating on true insurance principles. It is not only right that employers, workers and state should share in the cost, but the passage of an unemployment-insurance bill will actually be facilitated by such a tripartite contribution.

ABRAHAM EPSTEIN.

[*A treatment of this subject, from a somewhat divergent point of view, by Miss Elizabeth Brandeis will appear in an early issue of The New Republic.* —THE EDITORS.]

I Don't Understand Money

I FIND great pleasure in these turgid times imagining a historical scene of great import and solemnity, a scene staged in the marble capital city of a powerful empire which, according to its own standards, is rich and, of course, very, very conservative. Around the mahogany council table are gathered the Mellons and the Morgans of that empire, about two dozen of them, and I prefer to picture them attired as ancient Roman Senators, fairly oozing dignity and patriotism. They are gathered to give audience to a delegation of economists, mostly professors, and none wealthy. These gentlemen have come to expound a monetary system based upon the gold standard precisely as it functioned in the year of our Lord, 1929. But they are addressing the financial giants of an empire that has always used the dried hides of sheep, horses and kine as money. These hides are acceptable in all parts of their known world. They are almost indestructible, not too heavy to transport, and even if not used as money are in demand everywhere for the making of shoes, harness, furniture and many other articles in common use. But the professors are eager to show that gold has every advantage of hides along with many others, while currency based upon gold reserves is simply marvelous.

Well, they are given a respectful hearing and they talk and talk and talk. It is a veritable relay marathon of verbiage. At the conclusion of the third hour they admit that they have made only a good beginning, and the Mellons and the Morgans exchange winks. Presently a titter is heard, followed by a half-choked giggle. Obviously this gold standard is so complicated that no one on earth, except possibly the professors themselves, could operate it, and as they talk on and on even that seems doubtful. The fifth speaker is rudely interrupted by a raucous guffaw. Try as they will, the solemn gentlemen of finance can stand no more of this without straining their ribs, so they join in the wholesome guffaw and call it a day.

As a matter of fact the explanation of any monetary system from wampum to assignats sounds highly improbable and always reminds me of the story of a woman bookkeeper who was in my office some thirteen years ago. She multiplied six by two one day and got eighteen, thus making hash of an important financial statement and causing the chief auditor to decide that it was time for her to practise mathematics somewhere else. By way of prelude he asked her for an explanation of her error. "Well," she told me after the interview, "there was no use trying to explain that so I just went female." "You did what?" I interrupted "Why, I put my face real close to his and batted my eyes real fast—like this—and I cried a little bit, and I talked very, very fast." She had reenacted the scene with her face so close to mine that our noses were nearly touching, and when she finished, bless my soul, there were two big tears, one in each eye. Anyway she didn't lose her job . . . and I still think that hers is probably the best way to tackle a difficult mathematical explanation. In fact, I think it is being done right now in the most astonishing places.

All I have ever been able to gather from learned expositions of the gold standard is that you issue more paper than you have gold, and it works very well so long as no one bothers about it, but the moment they do and demand gold for their paper

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you go off the gold standard and threaten to put them in jail. In short, you are never on the gold standard and that is why you have to talk and talk and talk to explain it.

My first experience with the peculiar behavior of money came in 1905 when I went to work as a cub reporter at seven dollars a week. In retrospect I am amazed at how much I bought with those seven dollars. As my wage increased the value of money decreased. By 1912 it was a subject of national discussion, called "the high cost of living." In 1919 I was driven out of newspaper work because I could no longer live on what had always been considered an excellent wage. I doubled mine by the change and it was just barely enough for subsistence. That, if you recall, was the era of extortionate prices soon followed by panic and depression.

It would be interesting to peruse a learned work, if one existed, on the subject of what rapid change in the value of money does to men's faiths and ethics. I am convinced that there is a direct connection between their faith in the dollar and their faith in God, marriage, home, country or anything else you care to include. Money has been more or less insane all of my earning years and concurrently ancient dogmas have been crumbling on every side, the sound no less than the unsound. Which reminds me of the comment of a friend on Professor Einstein's theory that light does not always travel in a straight line but is sometimes affected by gravity. Men have been put on the rack for less and the friend in question is the sort whose ancestors probably operated a few racks. He has that kind of mind. But with regard to the new theory he merely said: "Well, why not? Everything else is cock-eyed."

I have a friend who exports vast quantities of goods to Australia. When that commonwealth decided that foreigners couldn't take their money out of the country it was a terrific blow to him. If he went on doing business there he would tie up all of his firm's earnings in balances in Australian banks and if he quit he could close about half of his plant. Faced with this knotty problem he got drunk, something he had probably not done five times before in his fifty years. Then he announced boldly that the firm would continue shipping to Australia. Some competitors retired and the business actually increased; in fact, it nearly bankrupted him. Then we went off the gold standard and the pound soared to nearly par. His profit on the Australian balances is enormous. He has suddenly, through neither foresight nor thrift, acquired a vast fortune. That is, he appears to have done so at the present moment. "What business needs," he told me recently, "is more whiskey. I've decided to stay drunk." How shall I tell him that he shouldn't when the money in which he does business reels and staggers from pole to pole? His gains and losses on money are consistently double the profit he tries to maintain on the manufacture and sale of his product.

Considering the fact that no monetary system that has yet existed could truly be called excellent (with a decent regard for the meaning of that word), it is interesting to observe how fanatically each commonwealth clutches its own to its bosom and views all others warily. Moreover, no matter how badly a system may work, if it has been functioning for twenty years a considerable portion of its victims will know that it came down from Mount Sinai along with the Ten Commandments and that any proposed changes are treasonous and contrary to God.

Centuries before Middle Western farmers began telling us in voices tremulous with agony that they borrowed a dollar worth half a bushel of wheat and were trying to pay back a dollar worth four bushels of wheat, troubled Greeks had made the same complaint. Later bankrupt Roman farmers found themselves in precisely this plight, and all the sadder in their case because they had incurred debts while fighting in the Roman army. Both agreed that life had been pleasant until money came into general use. The same argument against money in any form has been written by Chinese, Persians and Egyptians. The ancient Hebrews furrowed their brows over exactly the same problem of money and debt that today confronts the United States. They gave it up and voted to wipe the slate clean every seven years, which is as good an answer as anyone else has found.

International barter is already being attempted; the foreign trade of the future may be carried on without money. It certainly is not impossible, although it would reduce the volume of such trade. However, isn't the volume already so reduced that we are turning to barter to increase it? Any serious contemplation of this subject, you will readily see, leads to vertigo and fainting spells. Foreign trade closely resembles a poker game: it is the object of each player to accumulate as many chips as possible, but if you happen to get all or nearly all of them the game suddenly ends. That is excellent for the card player because he can begin chewing a clove and start home, but for the foreign-trade addict it means closing up shop and taking a seat on a park bench where he can while away the time reading about foreign currencies and bonds going sour. At such a time he believes all trade is based upon barter and that money got him into trouble; however, he will not resume operations until money is stabilized. You see how simple it is? Well, neither do I. However, I may be able to help with two tremendous axioms which I have just read. One is that money is whatever the government designates as money. The second is that nothing will actually serve as money unless it has or represents intrinsic value. I suggest, boys and girls, that we go into the music room and play these two axioms as a duet on our zithers. Gilbert and Sullivan will be along presently.

CHESTER T. CROWELL.

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Washington Notes

Who Runs the Power Plant?—Patching the Short Circuits—The N.R.A. Strikes Oil—Voices of Labor

AT THE beginning of every new administration the favorite amusement of Washingtonians is a guessing game called "Power, power, who's got the power?" At the beginning of the Roosevelt administration, the guesses varied among Assistant Secretary of State Moley, Director of the Budget Douglas and Assistant Secretary of Agriculture Tugwell. A few informed observers predicted the real power in the administration would be found to be held partly by Louis McHenry Howe and partly by Mr. Bernard M. Baruch. But when, in June, the hard-bitten, genial face of General Johnson appeared in the Department of Commerce building, all guessing ceased. Most of us agreed that here was the man who would possess final authority in the administration.

Few observers believed that Mr. Roosevelt himself was going to have much to say about the running of his administration. He had surrounded himself with a group of exceedingly brilliant and able persons—perhaps the ablest and most brilliant group ever gathered in Washington—and apparently intended to entrust himself absolutely to looked as if General Johnson was to become the actual their hands. After the establishment of the N.R.A., it functioning head of the government. The young men of the Agricultural Adjustment Administration placed themselves enthusiastically under the General's leadership, and his influence reached out over the Public Works Administration and the Treasury. The General's press conferences rapidly began to have a tension and excitement about them which the White House conferences lacked. Most Washington correspondents had a regard for the General tinged with awe and wonderment; Mr. Roosevelt, on the other hand, was simply a fine fellow.

I am beginning to doubt the accuracy of this picture. The events of the last few weeks seem to me to prove that Mr. Roosevelt is by no means the smiling figurehead he is supposed to be. I think the eventual record will show that at crucial moments in the drafting of the steel, coal and oil codes, ultimate authority was exercised by the President alone, and the General was no more than a kind of glorified office boy. In the steel-code controversy, the turning point came at the time of the Uniontown, Pennsylvania, strike against the H. C. Frick Coal and Coke Company, a subsidiary of the United States Steel Corporation. A few days earlier in Washington, at the opening hearing on the steel code, Mr. Robert P. Lamont had announced that whatever the steel code did or did not say, the steel companies would not in practice deviate in any way from their open-shop policy. Had the N.R.A., after this challenge, permitted the United States Steel Corporation to break the Uniontown strike, it would have served clear notice to employers and workers everywhere that the collective bargaining clauses of the N.I.R.A. were not going to be enforced. There is no doubt that General Johnson at first flatly declined to intervene in the Uniontown dispute. Equally, there can be no doubt that the General was immediately overruled by President Roosevelt from Hyde Park, and peremptorily ordered to proceed to Uniontown and settle the strike in favor of the workers.

The critical point in the coal code came last week. The open-shop owners of southern Pennsylvania, West Virginia and the South, after a succession of dramatic meetings with the General, and a single interview with Mr. Roosevelt, voted that they would never accept a code which would lead to eventual unionization of their properties. If anything, they were more belligerent than the steel companies had been. Again it was plain that General Johnson wished to do nothing for labor. Early last week he announced that the collective bargaining of the N.I.R.A. needed "clarifying," and that the administration would not "force" unionization upon any industry. For a second time, according to all evidence, Mr. Roosevelt intervened forcefully from Hyde Park to overrule the General. When, forty-eight hours later, the General produced his "clarifications," it was found that they not only restated without qualification the right of workers to bargain collectively, but pledged the government to see that free and honest elections are held in all factories and mines. This seemed an important victory, although the final terms of the automobile code now throw doubt upon it.

The controversy over the oil code centered around price-fixing. Here also the General was summarily overruled by Mr. Roosevelt. The General has long had passionate convictions about price fixing, which he believes always futile, costly and dangerous. In negotiations with the oil operators, he argued that the one thing necessary was rigid control of production. Once that was attained, and a shortage of crude oil created, prices could be raised and maintained at whatever level was desired. The only price fixing needed would be the setting of a maximum limit to prevent the gouging of the consumer. The independents, conspicuous among whom was Mr. Harry F. Sinclair, however, clamored for the immediate fixing of a minimum figure. Their plea was that, with great stocks of oil already above ground, it would be many months before production restriction would affect prices. Mr. Sinclair and his group were obviously hungry for quick dividends, or at least for enough cash in hand to enable them to meet bank obligations.

On the labor issues in the steel and coal codes, Mr. Roosevelt has been magnificently right. In setting a minimum price for oil—as he finally did—Mr. Roosevelt, in my judgment, was wrong, and should not have opposed General Johnson. Now that the independents have a guaranteed price for oil, it seems most improbable that they will coöperate in any drastic restriction schemes. I think it likely, in this instance, that General Johnson will be vindicated, and that the whole oil experiment will ultimately collapse.

In his decision to override General Johnson on the oil code, Mr. Roosevelt was apparently guided by Secretary Ickes, and by the apostate vice-president of Standard Oil of New Jersey, Mr. James A. Moffett. Who influenced Mr. Roosevelt in his decision to override the General on the steel and coal codes is less plain. My own guess would be those stout-hearted women, Miss Frances Perkins and Mrs.

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Roosevelt, the President's wife. Miss Perkins and Mrs. Roosevelt have been friends and colleagues since the Triangle Shirtwaist fire period, more than twenty years ago. Miss Perkins was the first administration member to protest against the open-shop leanings of the steel code, and conducted, as you will recall, a flying inspection of the company steel towns in Pennsylvania, during which the company burgess of Homestead refused her permission to speak. About ten days ago, during the coal-code hearings, Mrs. Roosevelt made a similar visit to non-union coal towns in West Virginia which, however, received unaccountably little publicity. It is my impression that these two women keep the labor situation constantly before the President and that—to use an old-fashioned word—on labor questions Mrs. Roosevelt acts as the President's conscience.

Washington. T. R. B.

Other People's Money

The Fuse Burns Low—Speculative Production—Public Works Bog Down—Boom in Red Tape—The Exchange Turns Monk

RECENTLY Mr. Bruce Bliven, describing the N.R.A. machinery in Washington, aptly said that it gave the impression of men working in a room with a bomb set with a time fuse. One way to keep people's minds off a possible explosion is to distract them with bands of music and ballyhoo in the newspapers about the rising tide of business. But we have tried the system of fooling the people under Mr. Hoover and it hasn't worked. There are many serious and informed men who believe that the key to recovery is the rise in the capital-goods industry. I certainly believe that to be a sound view. If it is true then we can see how low the fuse has burned from the following facts.

The very latest reports show that heavy construction, public and private, is at the lowest point it has reached this year. It is lower than it was in May and June, about where it was in March and April and below the figures for January and February. We have heard a lot of talk about public works. In August, 1932, federal public-works construction awarded averaged $4,177,000 a week. In August, 1933, it averaged $322,000 a week. State and municipal public works dropped from an average of around $12,500,000 to $5,500,000. And this startling fact stands out—that even if the federal government gets its public-works program under way, whatever gains it offers will be almost all if not all offset by the decline in municipal construction.

Now we hear that a few road-building contracts have been let and a few more are in the offing. These road-building contracts altogether are for only $380 million. Lots of them will not get started for many months and this sum is only a drop in the bucket against the nation's demand for fresh supplies of income.

In the field of ordinary construction, as reported by the F. W. Dodge Company, contracts awarded in thirty-seven Eastern states during July amounted to $82,600,000 as against $102,300,000 in June and $128 million in July of last year. The reports on August so far show that construction contracts are still under the 1932 figure. And they were certainly not very large last year—not large enough to help any. And all the while the price of building materials steadily increases.

Meantime, the fall is approaching. We have been reading on page one in big headlines of the great numbers who are to be employed and the rise in industrial output. Silk mills and textile mills have been producing heavily, but they have been producing for speculative jobbers who have been leaving the product in the warehouses expecting to sell it at higher prices in the fall. Now the warehouses are full, prices are sagging and orders have stopped. The real news is not on page one at all or even inside the papers. It is in the professional trade reviews. Six mills in Greenville, South Carolina, have let out 3,300 operatives in order to curtail production. Five mills at Rockingham, North Carolina, closed last week to be closed for a week. Reason—no business. Marshall S. M. Beattie, president of the South Carolina Manufacturers' Association, declared that the mills must shut down or curtail unless business is forthcoming, because production is ahead of sales and the process tax makes it impossible to accumulate stocks.

I do not report these things to alarm anyone, but merely because it is necessary to face the facts. In spite of all that is said, the truth remains that the much talked about public-works program is moving along sluggishly and without life. Reports now come that hundreds of projects are being held up because of the almost impossible factual reports required by Circular 2 of the Public Works Administration from municipalities proposing works. The whole movement is getting snarled in red tape. What should be done is to name a commission of men whose names will command confidence and who will not hesitate to accept responsibility without red tape. Alfred E. Smith would be the ideal man. It was he who cried out for five billions in public works at least three years ago. He could do the job as no one else could. He should be drafted.

It is getting to be baby-throwing time in Wall Street. The moment has arrived when the Stock Exchange, in fright, is looking critically over its babies to select which are the least valuable ones for throwing to the pursuing wolves. It tossed out a baby recently, following the July crashlet, when it pretended to raise margins. That little comedy was recorded here. But all the newspapers wrote glowing tributes to the public spirit of the Exchange for its New Deal. Now, as the dog-days fade swiftly away and the time approaches for the reconvening of the Senate Banking Committee and a crop of bills to regulate speculation, the Exchange is getting ready for some more baby tossing. We will have to be careful, of course, that it is not really throwing babies in our eyes to blind us. Certainly it is meditating certain reforms. They may be good, but they will be offered to avert the real reform which is required—a drastic overhauling of the whole system under government regulation. It will be odd indeed if we are to have government regulation of railroads and utilities and grocery stores and soda fountains and steel industries and the like, while the 1,300 men who rule the vast security business of the nation and degrade it with endless abuses are permitted to run wild as an independent principality within the government.

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The Exchange is considering a rule—which may be announced before this appears in print—to put off delivery dates a day. At present all transactions on the Exchange are for cash. A transaction to buy and sell on the Exchange must be completed by actual exchange of money and stocks by the following day. It is now proposed to put this off another day. The reason assigned is that the volume of business makes these day deliveries a serious burden on brokers' employees. They managed it through 1928 and 1929, but apparently are breaking down under it now. One thing is certain, however—if the Exchange operates on the two-day-delivery system it will encourage speculation, particularly among the professional traders on the floor. They have been hit a little hard by the new taxes. These traders may step in and out of a stock several times a day. But if they can have two days to make deliveries instead of one their position will be enormously improved. So will that of all brokers who cater to the professional speculating element. JOHN T. FLYNN.

For Master Rion

The Reminiscences of William C. Preston. Edited by Minnie Clare Yarborough. Chapel Hill: The University of North Carolina Press. 138 pages. $3.

I CONCUR with you my dear Kitty that when Preston grows up he should know something of the person he was named for; I therefore set him down these short and simple notices." This is the origin of these pages, whose brevity was caused by the writer's death, and whose intention was never publication but family knowledge, based on a code of elegance and personal dignity in relationships. Professor Yarborough in editing these pages from the library files of the University of South Carolina seems, to me at least, to have given us one of the most delightful transcriptions from an American past, a book that few of the thousands of literary efforts, which it is an overcompliment to compare to mushrooms, can equal in engaging interest, and a work that puts in their places culturally most novels, with their pretended creation where only jabber exists. The beginnings of this volume's appeal should be noted with a little care:

I have read much Americana, many reminiscences and many letters and journals of earlier days. Apart from those of importance—which are few save academically, biologically, zoölogically, however you want to put it—most of the journals of early American days shine by their naïveté; our delight in them too often rests on pine tables, kitchen mugs, grandfather's clocks and a sense of superiority. The very base of these Preston reminiscences is different. They concern the life, or part of the life, of an educated gentleman from Virginia, with some scale of values, with *amour propre,* dignity, birth and no expectation either of slight from lofty personages or of gaping rusticity before the wonders of the older world of Europe. I am setting store by that point. In these reminiscences there is no vindication of American independence and good-as-anybodyness, and therefore no vulgarity, however unsophisticated, which we might like to excuse on that ground. In this respect, with regard to William Preston, the phrase *"amour propre"* will, for those who will get the point just here, cover everything. In another respect the book is solid matter because a deeply read gentleman, without chips on his shoulder, is writing; I am not led to take any of his remarks anthropologically, as it were. In this case the argument for America consists in the writer himself.

The most useful thing to do about such a book is, first, to say who it was that wrote it, and then to convey the running gist of his content, which really needs to be read or quoted.

William Campbell Preston was born in Philadelphia in 1794, when his father was a member of Congress from Virginia. His father's friend, President Washington, came to see the baby; his father's father had a Colonial distinction, his mother's mother was Patrick Henry's sister. We must try to backstep for the summer moment and forgive his being thus a gentleman, and also wealthy; because without this ignominious decency of birth and this wealth William Preston might not, in a benighted world, have had the entree and the means of travel which are the main source of what, in these unfinished memoirs, he has to tell his namesake, Preston Rion. And since Preston tells not more than half of himself, Professor Yarborough has supplied diverse facts in the introduction. After his unfinished record's end, Preston's history is that he went back to England from the Continent, was entertained by Scott at Abbotsford, studied at the University of Edinburgh, returned to Virginia, was famous as a lawyer and orator, removed to South Carolina, was elected United States Senator, was a special intimate of the great Calhoun, and finally president of the University of South Carolina.

William's letters were taught him by an Irishman in the family, who remained with them until death claimed him at eighty-two, and who taught all the Preston children to read in the New Testament and to cipher up to the rule of three. He was then put under Mr. Hercules Whaley, whom his father had picked up in the remote valleys of Lee County, where this man of so strange and large a culture was plainly for some hidden reason trying to obscure himself. Preston's father, listening to that conversation, conceived his children's need for such accomplishments. Mr. Whaley was persuaded to come to live under the family roof. He remained a mystery in some respects, though glints of his history as a dragoon in General Wayne's army and as an actor, came through, and his Latin, Greek and French learning, his skill in singing and the violin and his recitation of poetry were immediately put to service. He slept in the room with the young Preston, walked and talked with him, read the British and Latin classics, played music.

> But my parents thought (mistakenly as I have since believed) that their boy ought to be sent to a public school, and so at fourteen I was sent to what was then called the Washington College at Lexington, a college superintended by lazy and ignorant Presbyterian preachers and filled with dirty boys of low manners and morals. In six months at this place I unlearned as much as it was possible for a boy of sprightly parts to unlearn in six months.

His health declined and he was sent south on horseback with a colored servant; and falling into conversation with students of the college at Columbia, remained to graduate,

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at eighteen, already more or less famous as an orator. His father had then in mind a year in Richmond, in a lawyer's office, where it all ended in society life and dissipation and waste of time. He went then to Washington, where, since Mrs. Dolly Madison was his kinswoman and Madison a friend of his father's, he lived at the "President's house and there met with whatever was curious or conspicuous in the city." The pages on the dinners and wines, the society, the hostess, the smutty conversation among the gentlemen of that day, Calhoun excepted, are full of matter.

The father's purpose was to have young Preston's education finished in Europe; but before that he sent him to see his own country, 4,000 miles on horseback through Tennessee, Kentucky, Indiana, Illinois and Missouri. The very choice of this direction is an interesting comment on Preston's education and his later European notes. There is an admirable account of his stay in Governor Clark's house and the Indians coming for the peace treaties and a tribal conference. Preston describes the Indians like a man of cultivation and, on one point, at least, has left me doubly indebted to him. I have always wondered about the reputed marvels of Indian orations, sadly doubtful, I fear, of this eloquence imputed to the wildwood chiefs. But now when this writer speaks of the magnificence of the Vice-King's oratory, his gestures free and graceful, dignified and deliberate, the pathos of the voice, the words appropriate and pregnant, I am convinced. I am convinced in this matter for three reasons. In the first place, Preston was one of the orators of his day, a day, at that, with an august oratorical tradition. Second, when in Paris he saw such men as Talma, the great actor, frequently; third, he has written down as good a comment on speech, delivery, eloquence, improvisation in acting, as I have seen:

> The exhibitions of their art [the eminent *improvisatori* that he heard in Rome] though admirable, did not fill me with the wonder expressed by others. My own experience from a very early age, that of fourteen or fifteen, had taught me that extemporary utterance was not so difficult as is generally imagined, and implies no very peculiar intellectual endowments. Perhaps the only natural qualification necessary for it is a capacity of utterance depending upon the organization of the vocal organs, their sensitiveness, their susceptibility to the impressions of thought, so that they respond promptly to the mental impressions . . . the faculty of an excited and rapid emotion, which from the whole mass of former impressions recollects what is proper for the occasion in hand, and immediately combines them into suitable arrangement. The materials must previously have existed in the mind—they may have been slightly organized, or nearly obliterated —but warmed by the excitement of extemporary speaking they spring out . . . and the memory reads them. The Italian language . . . from the multiplication of vocalic terminations gives great facility to voices.

Few of his passages are so special and elaborate as that, but our feeling remains of a possibility of dependence on Preston's notations, in the local, the racial, the romantic, the theoretical and the tracks of common sense. In his narrative we have the Ireland shame and ruin, and the Wales of the ladies of the Cottage, now famous in Freudian statistics and then the consternation of tourists. We get snapshots of the Austrian domination in Italy, the Bourbons in Naples, of Marie Louise with Neipperg, not ten feet away from Preston in the box at the Parma theatre, of the political friar at Turin, and many passing comments:

> If Civilization is the abounding of demand and supply, a multitude of wants and their gratifications, and this may be true when we consider our whole complex nature, sensitive, intellectual and moral, then Paris is the head of Civilization. What is the highest and best state of Civilization—may be a question—perhaps it is a just combination of those qualities of our nature as regards their wants and gratification. In Paris I suspect the senses and the intellect have perhaps an undue preponderance. The pleasures of each are almost unlimited.

The comments on Gallatin, then American Ambassador in Paris and as little American as he could contrive, seem excellent; what Preston says seems modern, without being obstreperous or Rotarian. Along with Gallatin should come the picture of Washington Irving. Preston was sick in Liverpool; from Irving he received a "tenderness and attention" that were

> consistent with his kind and generous nature. I found him a man of grave, indeed a melancholy aspect, of very staid manners, his kindness rather the off-spring of principle and cultivated taste than of emotion. There was an unfailing air of moderation about him, his dress was punctilious, his tone of talking soft and firm, and in general oversubdued . . . of that characteristic [exuberance] of our country he had great dread and distance . . . he called it . . . *Americanizing,* and in himself pushed his opposition to this tendency to the extent almost of affectation. He had a great deal of the English reticence. With them it is, as it was not with him, a surly and ill mannered and unsympathizing manner. It is a national character resulting from the false and foolish notion that true dignity is to be always on the watch for aggression and that *nihil admirari* is elegant and aristocratic.

On the other hand, Preston, moving culturally as well as geographically, found himself in England as well as in France and Italy; and standing, without vulgarity, on his own feet, was, however young, less an American tourist than an adult. His revelation of aspects of what American could, at that time, mean is absorbing, gracious and secure.

STARK YOUNG.

Kansas Farmer—1933

Seeing the sun shine down on emptiness,
Fields ready to bear, but unsown—men idle,
Tumble-weeds locking the uncranked machines—
So ate into his brain, he could not take
His eyes from the land, where nothing ever happened
Except his thought, that grew on emptiness
Until it made a sound like crunching waves
And brought a slow paralysis of will. . . .
Day after day he stalked about the farm
And made a circle from where he had started,
Until at last he never stirred, but stood
Stark by his doorway, with a staring eye—
Like a gaunt windmill, in a windless sky.

ALICE CORBIN.

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Sound without Fury

EVEN the rhinoceros, unless he were a Californian, would be moved by "The Strange Case of Tom Mooney." It is a soberly edited scrapbook of stills, of silent and talking film, that begins with the bomb explosion of 1916 and ends with an unforgettable monologue by Mooney himself. A foreword by Theodore Dreiser, slow, fumbling, honest. Shots of the San Francisco Preparedness Day parade, with the weak, good-scout figure of Mayor James Rolph, Jr., bowing to applause; with scurrying, awkward waves of paraders, women and children holding flags, Shriners in fezzes.

A still of the crowd around the bombed building; confused, haunting glimpses of bodies being shoved into ambulances, of a dead man lying on the sidewalk with his mouth open. The famous clock photograph: Mooney and his friends leaning over a parapet looking down at the parade; the tell-tale clock itself, greatly enlarged, its hands frozen in eternal rebuke to human justice. The accused, Billings and Mooney, with the high collars of seventeen years ago choking their necks. Pictures of the famous California state penitentiary, San Quentin, of President Wilson, of Frank P. Walsh, Oxman, Fickert, MacDonald.

And then Mooney himself, taken this year, when he was sent to San Francisco for trial on one of the old indictments. Alone, for many minutes, he faces the camera and talks, quietly, firmly, with a flash of humor ("I hope we will have the opportunity of meeting under more auspicious circumstances"); with a trace of deep, unquenchable bitterness. The contrast between the two Mooneys is startling: the Mooney of 1916, round-faced and a trifle bumptious; the Mooney of 1933, gray and grim, and patient with the dignity of suffering. His heavy eyebrows are much darker than his hair, his mouth, after each sentence, closes proudly, decisively, over his very white and even teeth.

And now he is saying "I want to thank my millions of friends. . . ."

He stops. His eyes are dry, his throat trembles only a very little, but for a long time he can say nothing, while in his mind, and in ours, rises the image of the army of those millions of persons who, in all countries and for all these long years, have refused to believe that he was guilty.

It is a moment which some centuries of Hollywood could not erase from my mind.

As a vehicle for the cynical wistfulness of Marlene Dietrich, "The Song of Songs" (which is Solomon's) could not be called a triumphal chariot. A simple country girl comes to Vienna, falls in love with a sculptor across the street, poses for him in the nude, lives with him, is deserted by him, is married and educated by a stuffy martinet of an old Baron, leaves the Baron and becomes a night-club prostitute. The story is slow, the settings elaborate, the people competently incredible. Yet in one respect "The Song of Songs" is remarkable and even revolutionary.

Under the all-wise rule of Will Hays, of boards of censorship and review, there are, unfortunately, limits to the exposure of the human body on the screen. Marlene Dietrich undresses behind curtains, she hugs a shawl about her with frightened modesty, we see her bare shoulders and her beautiful, bare legs. Pleasantly suggestive, but that's as far as we can go.

Oh, is it? Now just watch the new trick play whereby we sneak the sex football around Will Hays' left end for a touchdown.

While a woman may never appear wholly naked on the screen, Will Hays can have no objection to a lifeless statue, and the statue which the sculptor in "The Song of Songs" is modeling from Marlene Dietrich (a stiff, unlovely likeness of herself, by the way) is completely naked. There is nothing unusual about a little undraped plaster, surely. But now watch Pygmalion Mamoulian (who directed "The Song of Songs") bring that plaster Galatea back to life. See how the Baron ogles it, and inspects, through a lecherous-looking monocle, its most intimate curves. Observe the sculptor caressing it and clasping it in his arms.

And—right here, Will, is where we plant the ball between the goal posts—count the close-up shots of the Baron's and the sculptor's faces against a bulbous foreground (taken from several angles) which consists solely of the statue's breasts.

Through this wonderful new door into an old taboo God knows how many Hollywood producers will now joyously follow. Here is probably the invention that will bring prosperity back to the film business. What a dazzling prospect! One can foresee a deluge of films with nude statues in them, chaste, clever statues which can say Mamma and Poppa and get up and lie down and open and close their artificial, uncensorable eyes. May I humbly, helpfully, without hope of reward for a million-dollar idea, suggest statues made of rubber—a material over the screen possibilities of which it may perhaps be better to draw a veil.

There will always be films (for men, or women, or adults only) which purport to educate us on the subject of sex. Most of them will be, as they have been, dull, and they will fail to live up to either the announced intention or the real one. Something called "What Price Innocence" was shown in New York recently. It was the story of a girl whose mother refused to tell her the Facts. The audience was bored, and made rude remarks which proved that their own education had not been neglected. In the big scene, the girl sits on the edge of her bed clinging to the protecting arms of the family doctor and blurts out "I'm going to have a. . . ." Then the family doctor puts his hand over her mouth—to spare the feelings of the Pennsylvania censors.

Suddenly, from the sixth row of the stuffy little theatre, was heard a cry, an uncontrollable, animal, sobbing cry: "Oh . . . Oh." We forgot the film, we craned our necks and watched a woman, her handkerchief held to her face, struggle out of her seat and run up the aisle, still making, still trying to stifle, that sobbing, heart-broken animal cry. Life, like a ghost, had suddenly risen in our midst, and filled our ears with brief, bottomless pain, and gone out, and left us, left us alone again with a bad, dead film.

ROBERT LITTELL.

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Labor and the N. R. A.

[*The epidemic of strikes and labor disputes, to which we called attention in our last issue, continues to spread like wildfire. Labor has suddenly realized the advantage it now appears to possess in Section 7 of the Recovery Act and is evidently determined to make the most of it. The right of collective bargaining (which Section 7 guarantees) is now being made a point of issue in practically every dispute. We summarize herewith some of the more important developments of the last few days concerning labor and the N.R.A.*—THE EDITORS.]

IT IS still impossible to say whether the N.R.A. has yielded to the demands of the open-shop industrialists. It is against the trade-union provision, Section 7 (a), that the employers in the coal, steel and automobile industries have waged their most bitter fight. The law declares that, in codes and agreements, "employees shall have the right to organize and bargain collectively through representatives of their own choosing." It was the hope of the coal and automobile producers that this might be twisted to permit discrimination against genuine unions, and that they might be permitted to add a paragraph in their codes to that effect.

In the code of fair competition for the automobile industry, which President Roosevelt has just signed, the N.R.A. has permitted the producers to insert an explanatory paragraph concerning the collective-bargaining provision. The paragraph declares that the employers in the industry, "without in any way attempting to qualify or modify, by interpretation . . . the requirements of the National Industrial Recovery Act, may exercise their right to select, retain or advance employees on the basis of individual merit. . . ." This is the first instance in which any comment as to the meaning of Section 7 (a) has been allowed in any code. The exception was made, according to the N.R.A., with the specific understanding that the producers' paragraph neither changed the meaning of the Recovery Act nor established a precedent for other industries. Nothwithstanding this, the inserted paragraph would seem to put an added burden on the administration of the law. To permit employers to hire and fire on the basis of individual merit is to give them a subtle means for weeding out union workers.

As we go to press, strenuous efforts are being made to complete the coal code before Labor Day. There is the possibility that the formula which brought the automobile producers into the N.R.A. fold (the explanatory paragraph on collective bargaining) may be used for the coal industry. In view of the experiences in the coal fields since the signing of the strike truce early in August, such a concession to the operators seems highly dangerous. Complaints have poured in to the office of the coal-arbitration board concerning the failure of the companies to reëmploy union workers and especially those active in the strike. The companies insist, of course, that there has been no discrimination, that they have taken back workers solely on the basis of merit and efficiency. Meanwhile, the situation in the coal fields is anything but reassuring. In Pennsylvania, West Virginia and Kentucky, miners are again going on strike in defiance of the United Mine Workers' efforts to keep them in the mines pending the signing of the coal code.

The well worn bogey of Communism has been evoked in two strikes in New York City. In the strike of 8,000 workers in the shoe and slipper industry, manufacturers complained to Grover Whalen, N.R.A. administrator in New York, that the pickets of the Shoe and Leather Workers' Industrial Union, a Communist organization, were preventing workers from returning to their jobs. Mr. Whalen (notorious for persecuting the Reds while Police Commissioner) issued the statement that "no Communist union will be permitted to interfere with workers of employers who have signed up with N.R.A." In the strike of 300 fur workers, the Great Northern Fur Dyeing and Dressing Company obtained from Supreme Court Justice Smith an injunction against picketing by the Needle Trades Workers' Industrial Union. The company alleged that its workers had been "kidnaped" by the Communist radical union. Why Communists, when they go on strike, must do so without benefit of N.R.A., neither Judge Smith nor Administrator Whalen has explained.

In the maximum-hour provisions of the various codes the N.R.A. appears to believe it must make concessions in order to get the voluntary approval of the industries concerned. To what extent these concessions may retard reëmployment cannot be known, of course, until the employment figures for the next few months are published. The International Brotherhood of Electrical Workers has already protested the inadequacy of the maximum work week in the code for the electrical manufacturing industry. The union maintains that both the statistics of the N.R.A. Research Department and its own clearly show that the thirty-six to forty-hour week established in the code is far too high, if workers unemployed since 1929 are to be reabsorbed. Its own figures (which the union declares were not much at variance with those of the N.R.A.) indicate that the work week should have been fixed as low as twenty hours to bring about the desired reëmployment. Similarly, the forty to forty-eight-hour week in the steel code is far in excess of the thirty-hour week, which Secretary Frances Perkins suggested as desirable. "I am convinced," she said, "that the maximum of forty is too great to accomplish the purposes of wide reëmployment." Another case in point is the automobile code, which has just been approved. It provides for an average thirty-five-hour week, but this may be extended to forty-eight hours during the busy season, thus reducing the necessity for taking on more men during the peak of production.

Throughout the large navy yards of the East, ship workers are protesting the recent order of the Secretary of the Navy which places civil workers in the navy yards on a five-day forty-hour week. Since the shortening of the week from six days was not accompanied by a compensating increase in wage rates, the order enforces a pay reduction of nearly 17 percent. The action of the Navy Department is no doubt part of the federal government's economy program, though it is completely at variance with the N.R.A., which has insisted that weekly pay should not be reduced even though hours are shortened.

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CORRESPONDENCE

The Wages and Hours Policy

SIR: The "Universal Covenant," dealing with wages, hours and prices, to which all employers in the United States are invited to adhere, is an experiment of fascinating interest. It is based upon a recognition of the truth that the economic depression is, in its essential character, not a product of the industrial, commercial and financial disturbances due to the Great War and the Bad Peace, but is rooted in the relations between accelerated productivity and the slower increase of consumption.

There is a wide acceptance of this underconsumption theory, but many of its supporters in England and elsewhere still hesitate to commit themselves to the view that such underconsumption is attributable to a maldistribution of the aggregate income, which can only be remedied by increasing the proportion of income passing as consuming power to the workers.

President Roosevelt now openly advocates a policy of wages higher than the prevailing rates, with restrictions upon the rise of prices. The crucial clause in his "agreement" is No. 7, "Not to increase the price of any merchandise beyond that ruling on July 1, except to the extent of actual increases in production costs. In calculating such increase, full weight must be given to probable increases in the volume of sales." In other words, higher wages, with shorter hours, may be offset by reductions of overheads as costs.

The success of the experiment appears to turn upon this offset. For, however willing an employer might be to maintain high wages and employ more men at shorter hours, he could not do so unless he could raise prices in case reduced overheads failed to enable him to lower costs of production.

But if a large proportion of employers cannot fulfil the wages-and-hours policy without raising prices, the experiment is to that extent a failure, for consumption will not be sufficiently increased. A narrow economic view would lead employers to doubt the feasibility of the "agreement," for it rests upon the working of the existing capitalism which needs some margin of "profit" over costs. But if each business man can recognize that the coöperation of all other business men in his own and other industries is prepared to try out this new experiment, he may accept the view that the increased demand for his goods, arising from the enlarged purchasing power of the worker-consumers, will enable him to utilize so fully the improved machinery and methods of production as to make a profit out of a reduced margin over costs on a greatly enlarged body of sales.

If tried out fairly, this experiment by its success or failure may decide the issue of the survival of private capitalism.

Hampstead, England. J. A. HOBSON.

More About Eisenstein

SIR: Since I was the first, though probably the smallest contributor, to the Eisenstein picture of Mexico through my friends, Mr. and Mrs. Sinclair, I feel that I am in a position to comment on its making and so-called "mutilation," as well as Seymour Stern, who has been an enemy of its success from the beginning.

Mr. and Mrs. Sinclair, regretting that Eisenstein had not been given a fair chance in his six months' stay in Hollywood, undertook the business of financing him in his ambition to show what he could do with little money and three months in Mexico. He overstayed his allotted time nearly one year, and Mr. and Mrs. Sinclair sweated quarts of blood to keep him there in these depression times; they made enemies of friends, put their all into it, and even now, after three years, have given up their home in Pasadena to be near a laboratory to supervise the cutting of the 200,000 feet of film—miles and miles of repetition and waste.

But what do they know, poor innocent babes in the hands of million-dollar film magnates? They have been charged up, every step of the way, with every cent of expenditure, from telephone calls to the salary of high-priced musicians from afar. It cost them six dollars a minute for the prolonged work of interjecting music after the picture was made.

As for the cutting, I too was grieved, because many of the lovely scenes were omitted and some of the tragic ones stressed; but maybe we are to have the beautiful travelogue later on. As the picture stands, nothing "Hollywood" has been added; it is true to Eisenstein's scenario, which was written after he had finished the wonderful travelogue he had promised us. The Sinclairs are the innocent victims, not the wolves that some of their critics would like to make the world believe. Out of sympathy for Russia and its great experiment in social revolution, they have just about lost their lives in the cause that takes every minute of their time. Yet they can still smile.

Altadena, Calif. KATE CRANE-GARTZ.

[The New Republic will print no more letters on this subject unless our correspondents have something new and important to say.—THE EDITORS.]

Mr. Warburg and the German Jews

SIR: My attention has been called to the fact that while I was away on a brief vacation, the following appeared in the issue of The New Republic of August 2, 1933:

> We are reliably informed that President Roosevelt was dissuaded from intervening in Berlin against Jewish persecution by Mr. Felix Warburg, who warned him that such a step on the part of the American government would harm rather than help the German Jews.

These statements are wholly without foundation and are not true in any particular. On the contrary, I have been in constant consultation with the American Jewish Committee and approve of their consistently expressed hope that our government would exert its utmost influence through diplomatic channels to deter the wretched persecution of Jews in Germany.

New York City. FELIX M. WARBURG.

[As our editorial stated, our information was obtained from a source which we have always found to be completely reliable. Naturally, however, we accept Mr. Warburg's disclaimer, and regret that we should have published an erroneous interpretation of his attitude.—THE EDITORS.]

The Poet as Political Animal

SIR: Mr. Allen Tate's essay on "Poetry and Politics" in The New Republic of August 2 makes use of symbols apparently intended to mystify rather than to simplify the questions at issue. If the business of poetry is to complain to a "Virgin [who] is one of those figmentary escapes from economic reality to which it is always safe to address our insincere humility" it has obviously nothing to do with politics; on the other hand, if it is concerned with "the external world of sense and contingency" it may have—if only to pull the other way. Mr. Tate's conclusion is that it does and it doesn't, but really in a way it does. The writer is unable to see how such precious statements of the commonplace can serve any useful purpose. For Mr. Tate is, it seems to him, meticulously pedantic without having convictions, watchfully tiresome in style, and tortuously dubious in matter. He does nothing for the lovers of poetry; for the endurers of it he has a dish of aloes.

Mr. Tate's point is familiar: poetry is, politics continually will be. But he fears that in the present age, which has lost quite completely "the distinction of principle between the two modes," some political party may get hold of poetry and squeeze it out of existence. "For the danger lies in the communist belief . . .

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that the arts have always been fundamentally propaganda." Now this is certainly a less harrowing view of the poet than that he is fundamentally useless to politicians—which, God help us, we are all. And Mr. Tate, who is fighting for the cause of poetry, presumably, should have remembered that an attitude toward it which would cause the editors of The New Republic to freight every issue with verses is infinitely preferable to the present case. "A poetry composed of pragmatic abstractions [which] does not illuminate . . . the immediate situation of the poet" is yet preferable to a poetry which flares smokily and seldom, or which does not exist at all—for we must extend to the half-poets that privilege Mr. Tate grants his critical coadjutors, of blundering into truth. To say, ". . . the popular prestige of poetry has declined. It may be a good omen. The rewards of a quick career have less endurance than disciplined craftsmanship," is to be sour after grapes out of reach. Good poetry has usually been paid for, though the purchasers got more than the measure of their money, or their intentions. . . .

Cranbury, N. J. OSCAR BRYNES.

Careers for College Graduates

SIR: It is interesting to see the buoyant optimism expressed in the letter of Mr. Donald Moyer, of the Harvard Alumni Placement Bureau, written in further answer to our analysis of the number of unemployed college graduates. Reading his letter one almost forgets the masses of unemployed engineers, architects, teachers, who rush to every opening only to come short and wait again for months or years for a new one; one almost forgets the young lawyers and doctors who starve. One might even turn a thankful eye towards heaven because among the millions of unemployed and the millions on starvation wages the college graduates and especially the Harvard men have been spared.

Mr. Moyer says that "the genuine aim of college graduates" today is to be clerks. Of course only a few whom we might call "born to greatness" are starting as bank presidents. The others have to begin at the beginning. But it makes a vast difference whether they begin with a decent minimum salary upon which they can found their existing or prospective family life or have to serve as volunteers or on ten dollars a week. It makes a difference whether they have an opportunity to reach higher positions after a reasonable time or are compelled to stay in inferior positions for an indefinite period. Many large law firms do not take Jewish clerks with the excuse that these young men get their training in the office and then are not willing to stay longer for the same low salary.

It is touching that Mr. Moyer sees some college graduates "not engaged in the occupations of their choice." In his next sentence he asks if they are not lucky to be employed at all, implying by this what he denied before—that any employment is a luxury today. But he forgets the great American virtue of good business accounting. He thinks that ten dollars a week or a doubtful commission is a satisfactory return for the immense capital investment of time and money which is necessary for a Harvard degree. He forgets also that it is a tremendous waste for society.

We are grateful for Mr. Moyer's letter because now more than ever we feel the importance and the responsibility of our task of getting factual information on the plight of the college graduate and of analyzing its social consequences scientifically rather than from the standpoint of a vested interest.

CARMEN HAIDER,
New York City. ANDREE M. EMERY.

Extracts from Letters

HOWARD Y. WILLIAMS, national director of the League for Independent Political Action, writes to inform us of a conference, called by the League, to be held in Chicago on September 2 and 3. Representatives of labor, farmer, unemployed, white-collar, professional and progressive political groups will meet at Judson Hall, the University of Chicago, to discuss what political action is necessary in the critical situation facing the nation, and to consider whether a united farmer-labor party is necessary to protect the workers and farmers under the new industrial codes. More than a hundred well known leaders of progressive groups have signed the call to the conference.

Herbert H. Ryan, president of Newspaper Writers' Union No. 9, sends a letter urging the organization of newspaper editorial-room employees. He points out that while the mechanical departments of American newspapers have been thoroughly organized for some time, there are only two unions of news and editorial writers in the United States, at Milwaukee and Scranton. Writers on many newspapers have long been dissatisfied with the conditions and pay under which they work, but in the past their "white collar" traditions and status as professionals have prevented them from organizing. Now, under the provisions of the N. R. A., they may organize under the protection of the federal government without risking their jobs by doing so. The unions will eventually be affiliated with the A. F. of L. Mr. Ryan urges interested newspaper men and women to communicate with him at Newspaper Writers' Union No. 9, 536 W. Juneau Avenue, Milwaukee, Wis.

The Friends of the Chinese People, through its secretary, J. Loeb, expresses several fundamental disagreements with Nathaniel Peffer's article, "Japan in China." The main differences are, first, that Mr. Peffer has underestimated the strength of the struggle of the Chinese people for independence, unity and territorial integrity and, second, that in analyzing the failure of the Kuomintang Mr. Peffer has misunderstood both the reasons for its loss of prestige and the significance of its proposed reforms. As proof of the first claim, it is pointed out that all effective resistance to the imperialist powers has come from the people and not from the government; that the boycotts and strikes have been popular movements, suppressed by the government; that popular Volunteer Partisan Bands have opposed the Japanese in Manchuria; that the Nineteenth Route Army and Chinese workers defended Chapei while the government kept its troops and airplanes for use against Soviet Russia.

The letter disputes Mr. Peffer's point that the movement for national liberation has lost all that it had gained, holding that the betrayal of the movement by the Kuomintang has clarified the role of the Kuomintang to the Chinese masses, uniting them against the imperialist powers and against their own ruling cliques.

For the second point, the letter declares that in analyzing the failure of the Kuomintang, Mr. Peffer has given the program of the "Blue Jackets," a fascist organization, without mentioning the organization by name. While there is tremendous dissatisfaction with the Kuomintang, there is also an attempt by the Kuomintang to capitalize it. Quoting Mr. Peffer's statement that "while some of its [the government's] personnel enjoys respect, the system must be scrapped," the letter goes on to say that the function of the "Blue Jackets" is to scrap the system while holding the personnel blameless, and to build a new system of personal dictatorship around Chiang Kai-shek, who organized the "Blue Jackets." Thus Mr. Peffer's statement of the remedy, which he attributes to "Chinese of all classes," is actually the remedy of only one class. Because the interests of the Chinese landlords, ruling cliques and bankers are inextricably tied up with the expansion of the imperialist powers over China, any movement for national independence there must become a revolutionary movement freeing China from its own bourgeoisie.

Mr. Loeb's letter was shown in advance of publication to Mr. Peffer, who says in comment: "This letter is scarcely worth serious reply. In the first place, it is not directed to the article it purports to answer, since obviously the article was either not read or misread. In the second place, it merely patters the old slogans, now dead in China, on which the Chinese people were led to the needless slaughter by starvation of millions. As one who has seen the consequence in China itself, I have scant patience with the glib gabble of Americans who are ignorant of China and young Chinese in America who are away from China and sheltered. If the facts cited in this letter were true and the premises therefore valid, the conclusions would follow. The facts are not true, however. In the third place, the constituency of the Friends of the Chinese people is not qualified by knowledge to have or air opinions about China."

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The Flowers of Progress

A Century of Progress, edited by Charles A. Beard. New York: Harper and Brothers. 452 pages. $3.

THE EIGHTEENTH century brought forth the idea of Progress. Man, according to the philosophers and rationalists, was climbing steadily out of the mire of superstition, ignorance, savagery, into a world that was to become ever more polished, humane and rational—the world of the Paris salons before the hailstorm of revolution broke the windowpanes and drove the talkers to the cellar.

In the nineteenth century the idea of Progress became the leading principle of action: it rationalized and seemed to make more potent and purposeful that demonic concern with inventions, material improvements, power-driven machinery and mass production which swept everything before it in the more "progressive" regions of the world. At the end of this century, the exponents of Progress surveyed their work and, like God, felt that it was good: but unlike the six days' labor of Creation, there was happily no end to it. In the nature of Progress, the world would go on forever and forever in the same Victorian direction, becoming more humane, more comfortable, more peaceful, more smooth to travel in and, above all, much more rich.

Thanks to inertia, the notion of Progress lingered on into the twentieth century; but even before this century had brought its bitter corrections and qualifications, there was plenty of evidence to show that Progress did not describe actual events: it was a mythological interpretation of certain portions of them: that is, it awakened emotions and fed the energies of men, while it distorted and concealed the nature of the historical processes more certainly than it revealed it. For the reality of Progress was established only by disregarding with a bright Pecksniffian eye all those departments of life and work which indicated retreats, atavisms, regressions. Machine industry, which clothed so cheaply the bodies of the poor, also produced cities whose disorder and squalor had been equaled in Western Europe only in the worst days of Rome: the conquests of iron and coal, which created the great bridges and marvelous ocean steamships, likewise gave to warfare a murderousness which the implacable Assyrian would have envied. At the same time, the great institution of democracy abolished the hired bands of obvious roughnecks who had originally constituted the soldiery, and transformed whole nations into vastly more powerful armies of roughnecks. Result: an increase in fear, anxiety and destructiveness, and a diversion of energy into preparation for war and into payment through successive generations for indulgence in past wars and annihilations. One could multiply such examples.

Progress, in short, was Janus-headed: each great advance in technology and in social organization had a sinister face as well as a smiling one. The exponents of Progress, imitating the sun dial, counted only the smiling hours; only an exceptionally courageous spirit, like Herbert Spencer, would admit the steady increase of servility and militarism—attributes which should, on his own theory, have diminished to the point of extinction.

Plainly, by taking some low point of human development in the past, one might over a limited period of time point to a real advance. But if one began with a high point—for example, the fact that German miners in the sixteenth century frequently worked in three shifts of only eight hours each—the facts of progress, when one surveyed the mines of the nineteenth century, were nonexistent. Or if one began with the constant feudal strife of the fourteenth century, the peace that prevailed over great areas of Western Europe between 1870 and 1914 was a great gain: but if one compared the amount of destruction caused by a hundred years of the most murderous warfare in the Middle Ages with what took place in four short years during the World War, thanks precisely to such great instruments of technological progress as modern artillery, steel tanks, poison gas, bombs and flame throwers, the result was obviously a step backward.

What remained valid in the notion of progress were two things which had no essential connection with human improvement. First: the fact of life, with its birth, development, renewal, decay, which one might generalize, in such a fashion as to include the whole universe, as the fact of change, motion, transformation of energy. Second: the social fact of accumulation: that is, the tendency to augment and conserve those parts of the social heritage which lend themselves to transmission through time. No society can escape the fact of change or evade the duty of accumulation. Unfortunately change and accumulation work in both directions: energies may be dissipated, institutions may decay and societies may pile up evils and burdens as well as goods and benefits. To assume that a later point in development necessarily brings a higher kind of society is merely to confuse the neutral quality of complexity or maturity with improvement. To assume that a later point in time *necessarily* carries a greater accumulation of values is to forget the recurrent facts of barbarism and degradation. (The segregation of classes and the initial feeling of security caused by the success of the professional police force of the nineteenth-century metropolis perhaps abetted this forgetfulness.)

By now, however, it should be apparent that the one notion that has been thoroughly blasted by the facts of twentieth-century experience is the idea of Progress. We who have seen the recurrent poverty, misery and starvations that punctuate the advances of technology, we who have seen the immense irrationality and destruction of the World War, we who have seen barbarous, atavistic modes of feeling and expression rise again in Germany, technically the most advanced country in the world—we cannot comfort ourselves with a naïve belief in Progress. "The individual withers and the world is more and more," sang the great poet of Victorian progress: unfortunately, we now realize that it may be more and more of worse and worse.

How does it happen, then, that perhaps the wisest and most penetrating of American historians, a man thoroughly at home in the world of thought, can attempt today to put forth the idea of Progress "as one of the most profound and germinal ideas at work in the modern age"? How does it come about that he has surrounded himself in this symposium on "A Century of Progress" with a group of writers who even from the standpoint of progress are unprogressive: people who, so far from representing the fresh work and renewed ambitions of our time, are at best surviving monuments of past efforts, noble monuments like Miss Jane Addams, smirking effigies of inexplicable banality, like Mr. John Erskine, or cast-iron members of defunct Rogers groups, like Mr. William Green? I cannot answer these questions; I am appalled and nonplused. Except for the excellent essay on "Invention as a Social Manifestation," by Mr. Waldemar Kaempffert, the book is without distinction and point. And no wonder: for Progress is the deadest of dead ideas. All these attempts to list the achievements and advances of the last century as one blanket record of progress—achievements now so beautifully concentrated and symbolized in the barker's Bedlam of the Chicago Fair—

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are so many spoonfuls of soothing syrup which no one who has cut his eyeteeth can smell without a feeling of nausea. Even if one believed in Progress, this would be no time to talk about it. The barbarian is trampling at the gates: we shall have to fight desperately for all those ideas and institutions and modes of life that are worth while preserving or adventuring forward with. And the one ally we cannot trust in this struggle is Time, or the bastard child of his union with nineteenth-century industrialism, Progress.

LEWIS MUMFORD.

3.2 Percent

Mrs. Egg and Other Barbarians, by Thomas Beer. New York: Alfred A. Knopf. $2.50.

THE WORLD revealed by Thomas Beer's metaphorical, sometimes pyrotechnic, style is a warm, alive place, evoked by the brilliant analogies his words make to the real world. So his people, in the extraordinarily plotted novels and the biographies, live surrounded by one another's seemingly real—and so often naked—bodies, in the midst of real trees, real sunshine, real ice-cream sodas, real cattle, real motor cars. (Anyone can read of his critical admiration for his own style in his biography of Stephen Crane.) And in the eight stories reprinted, with the exception of two not previously published, from The Saturday Evening Post, his people are revealed immersed in Thomas Beer's prejudices and admirations.

Any man's admirations are his own business. If Thomas Beer admires men who have no hair on their strong deep chests, no fat, few words and deep unvoiceable emotions, that is his own business. But the prejudices he bolsters up and gives fictive enjoyable life to in these stories are anybody's business. Somebody has to say to him, The world doesn't divide up so neatly into the nice people and the not-nice, where the nice have motor cars and horses, nice dispositions, the right ancestors, beautiful male and female bodies, and where, if the not-nice have any or all of these attributes, they haven't them in the right proportions. Somebody will have to tell him that the proprieties—what he himself once disparagingly named "our fathers' notions"—all the clichés of prejudice, don't yet move the sun and the other stars. He will have to be told, for example, that the sexual but queasy niceties exhibited in "Obituary of a Liberal" would have made Tom Jones roar with justified, eighteenth-century laughter.

A look at these eight stories makes one want to have another look at his social studies, at "Hanna" and "The Mauve Decade." After old Carolus Van Eck appears in four stories, it becomes clear why Mark Hanna fascinated Thomas Beer, why the biography is at once so good and so near-sighted; for Carolus Van Eck with his prejudices, his peculiar old-man stodginess, is Mark Hanna in small scale, interfering, impressing whatever notions he has haphazardly gathered on his family circle to suit his own whims, as Mark Hanna ran sections of the nation to suit his own wishes. The stories end happily: old Van Eck was right. The nation survived: Hanna was right. "Let the dogs howl," Hanna said, and Thomas Beer echoes him. "Dogs," one begins to fear, is synonymous with "Canaille."

After Ma Egg has managed and arranged, in the four other stories, it becomes clear that what makes Frances Willard so ridiculous and comic a figure in "The Mauve Decade" is not her intrinsic, insufferable ridiculousness—for Thomas Beer anyway—but merely that her ideas aren't the ideas he approves of. Ma Egg, for all her gentle, fortunate interference, is merely the reverse side of Frances E. Willard.

These stories will probably give pleasure—which, as stories simply, they should—to some; they will disturb no one except admirers of Thomas Beer. And the admirers will begin to suspect that the man who so purply wrote, in "The Mauve Decade," of human beings seen from the high place with William Sumner *et al,* that they "seem lice, clinging to folds of a stale blanket," was also thinking purply. The judgment was a fever judgment, not the warm, understanding judgment that makes the world afterwards a different place. Else he would not have written so approvingly of an old man's whim to have a boy thrashed, or so benevolently of a fat, greedy woman interfering with the lives of those about her.

KENNETH WHITE.

Croesus in the Treasury

Mellon's Millions: The Biography of a Fortune, by Harvey O'Connor. New York: the John Day Company. 443 pages, illustrated. $3.

LITTLE by little, the portraits of the peers who ruled the old regime in American industry are being filled in on the larger canvas of our contemporary history—and by men who are far from being court painters. It is as if in answer to the provocative question posed by the Beards in their Marxian interpretation of our history, several years ago: "Why should anyone be interested in the beginnings of the house of a Howard or Burleigh and indifferent to the rise of a house of Morgan or Rockefeller?" that Mr. Harvey O'Connor, a young writer of strongly populist sentiments, has given us his story of the house of Mellon, which he likens to that of the Medicis. If his picture is somewhat incomplete, almost without private letters, and is repudiated publicly by the principal sitter, then the reader must appreciate the fearful difficulties, the closed doors, which beset a critical investigator at every step.

Andrew Mellon, the Pittsburgh banker and, after the age of sixty-five, "the greatest Secretary of the Treasury since Hamilton," is a rich enough subject. By inheritance and by training, he was destined to become a majestic money-lender, ruling over the chief coal and iron belt of the country, at a time in our economic evolution when the money-lender assumed a far more influential position than the pure industrialist or manufacturer. Then, as in the case of the Medicis, the power of this banking house grew to be so comprehensive that realities must at last be recognized, and its head must be called from his convenient obscurity to preside over the highest political councils of the nation.

The Mellons were Scotch-Irish immigrants from Ulster; they were of the hardy, acquisitive, puritanical, northern race which flourished so well in the new world. Judge Thomas Mellon, the father of Andrew, born in western Pennsylvania in 1814, was intelligent, educated himself to be a lawyer and read all his life Benjamin Franklin, the philosopher of the eighteenth-century bourgeois. Like Franklin he practised a "holy thrift"; he saved money coin by coin, acquired land, made loans and foreclosed his debtors in stony fashion until he had advanced himself enough to found a bank. Mr. O'Connor, by drawing liberally upon the rare autobiography of Thomas Mellon, gives us a vivid portrait of the sage and usurious old banker who laid the foundation for the family fortune and trained his sons in his own hard school after the Civil War.

Andrew Mellon was neither pioneer nor "captain of industry," save indirectly when he sometimes backed the

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plunging Henry Frick. The solid Mellon fortune underwent a slow, monotonous accretion, during four decades in Pittsburgh, while industry paid its steady toll. Mellon's former wife, in her divorce suit, contended that her husband's monomania for gold darkened the family life. She herself was of upper-class Irish breeding and had illusions of playing Lady Bountiful in her lord's domain, among the toilers in his "vineyard." She was told, "They are foreign, Huns and Slavs, and such as that, and you can't do anything with them."

After 1900, approximately, when Pierpont Morgan opened the road to investment-banker control of monopolistic industry, as Lewis Corey has shown in his penetrating "House of Morgan," Andrew Mellon took the same line. The banker, in return for loans either directly given or "floated" (as capital), supplanted the engineer, projector or industrialist in control, assumed what Veblen has called an "absentee ownership" (and Berle and Means more recently, a kind of "divine right" command), with management delegated to experts and underlings. That he followed such tactics shrewdly is the most notable thing about Mellon's financial career. It comes out of Mr. O'Connor's none too orderly narration that the Pittsburgh banker used fully his chance to acquire several monopolies or near-monopolies, such as the aluminum company, and placed himself in a position to multiply his capital infinitely during the World War. The process by which capitals are bought and sold, and lesser capitals conquered by stronger ones, is determined by the strategy of investment profits and concentration, rather than by that of industrial or social progress. Mellon's heroic work of accumulation, after middle age, is stamped with all the anti-social traits now attributed to the type: geometrical increase of savings, machine productivity and unemployment; wealth concentrated in few hands, consuming power steadily diminished.

When the romance of Business Men's Government began under Harding in 1920, it was time that the blushing Andrew Mellon should be drafted for public service, as the "fattest cat" of the Pennsylvania Republican party. His earlier willful obscurity was an element both useful and colorful; while his giant wealth overawed his raffish associates in the presidential Cabinet. It is upon this stirring period when the gentleman from Pittsburgh sacrificed himself for the common weal, that the biographer furnishes most of his documents and writes the most dramatic part of his history.

Mellon is handsome, romantically slender, has a natural dignity in his personal address; his cold mercenary passion (for which he was so notorious in his native city) and his undeniable power of calculation served him well as Secretary of the Treasury. For twelve years this office became what it should logically have been long before: the general staff, the nerve center of monopoly and finance capitalism. Every tremor in Wall Street, as Mr. O'Connor indicates, now ran directly to the Treasury Building in Washington; and every golden word of the great Secretary vibrated bullishly or bearishly in New York's stock market. The tall figure of Mr. Mellon looms above that of Saint Calvin, and even Hoover, as the veritable *deus ex machina* of the system of American prosperity. Surely history will place its bay leaves on this long, gray head.

With Andrew Mellon as economic overlord of the United States, I think it may be said (especially after reading this biography) that the American people gave a square deal to the Business Men's Government. He said his best and did his best by the system he implicitly believed in. The Mellon Plan was to reduce taxes for the upper income brackets, increase them for the lower brackets, reduce the government's social services, abolish corporation-profit taxes, bring a reign of easy money, a laissez-faire paradise of super-capitalism. And in measure with his success in carrying out this plan—$700 million reduction in high income taxes was effected in 1925 and 1926 alone—he accelerated the current boom. Finance capitalism like a greenhouse plant was "forced" to its fairest and perhaps final bloom. If this system, which Mellon believed worked the greatest good for the greatest number, blew up at last, then it was not for want of boldness or thoroughness in its application. The bewildered citizens might now draw their own deductions, and vote for Democrats, labor leaders, or even—bless our souls!—college professors.

The richest-Secretary-of-the-Treasury-since-Hamilton had under his direct command the Internal Revenue Department, through which tax claims were adjudicated and tax refunds paid out. Owing to this condition—which was well understood by the fathers of our republic before the first immigrant Mellons arrived here—it was always considered cagier to keep nabobs away from the Treasury building. (Even Ulysses Grant had been stopped from placing the big drygoods merchant, A. T. Stewart, in such a house of temptation.) Now the soul of the billionaire Andrew became a battlefield in which two hosts (of unequal force) fought each other without ruth or pity. As a party of the first part, the people's Secretary of the Treasury, he must snoop and spy upon dozens of rich corporations, belonging to himself as a party of the second part, and which habitually pay their taxes only with the most bitter tears and misgivings. Such trials were simply too much for human flesh to bear. Mr. Mellon, turning his face away, suffered an orgy of tax refunds in which *all* corporations benefited, *not merely his own* aluminum, oil, coke, coal, steel-car and banking enterprises. For years the Internal Revenue Department was cluttered up with mobs of corporation accountants and lawyers, all demonstrating how oddly "stupid" they had been in other times, what whimsical errors of overpayments of taxes had been made, the sum of which they drew up and had duly honored by the Treasurer.

To the chorus of accusations by progressive Senators, Mellon returned a haughty silence. To their charges, like those which accused him of profiting from bootlegging through his Overholt distillery, he replied: "Vicious piffle"; while his friends shouted, how could he, a billionaire. . . . But there is the rub. What has there ever been in the training, the psychological conditioning and the book of rules of the billionaire which forbids profit-seeking in any conceivable direction? In his state of divided allegiance would not his father's precepts and schooling have brought him into conflict with his public duties? I do not believe, from Mr. O'Connor's presentation of the case, that Mr. Mellon was guilty of frauds. I would guess, however, that he was humanly susceptible to error; and of course the sums were large—so large, in fact, that during the dreary storms of 1932, Mr. Mellon was dismissed from the pilot house, according to his biographer, and consigned to the knee-breeches of St. James. Exit with silent dignity.

Andrew Mellon's life has form and color; and Mr. Harvey O'Connor has made a biography of the utmost timeliness. It is a good example of strong propaganda, and would have been much stronger if it had been better organized, written with less invective and with a more contained passion—in short, since the facts are eloquent and drastic enough, if the methods used had been less those of special pleading and more of hoisting Croesus by his own petard.

MATTHEW JOSEPHSON.

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The Winged Mercury

American Composers on American Music: A Symposium, edited by Henry Cowell. Palo Alto: The Stanford University Press. 226 pages. $3.

THE CALIFORNIAN composer Henry Cowell is perpetually on the wing, and American culture is substantially indebted to his enthusiastic mercuriality. Where'er he lights, in Los Angeles, Leningrad or any point between, concerts of the new and unplayed works of the liver American composers spring up like flowers about the feet of Flora; and besides these concerts Cowell has given us a sizable body of original compositions, innumerable lectures on music, editions of music, critical studies of music, and has invented tone-clusters, and performed with the thunder-stick and upon an instrument which is called the "rhythmicon" and can execute triplets against quintuplets. A number of his own compositions have considerable weight. He has gotten many new, daring and revolutionary scores played and printed. And his persistent and very practical championship of radical and unpopular work has provided steady encouragement to those with something individual in them to express.

Yet all in all the constructive effect of this restless bustle of Cowell's is disproportionately small. Many of his concerts make one wonder whether the volatile impresario is after all not more really concerned with getting compositions into programs than with getting them faithfully produced. As for the pieces Cowell chooses to champion, they are as largely sterile as fertile; and, despite its frequent reasonableness, his choice on the whole makes manifest no particular values, saving perhaps the intrinsically insignificant ones of American birth, technical unconformativeness and, as a friend of ours cleverly said, "an incessant exhibition of major and minor seconds, sevenths and ninths."

The symposium of "American Composers on American Music," edited and to a considerable degree written by Cowell himself, is a typical production. It is largely instructive; it includes several penetrating criticisms—Seeger's of Ruggles, Copland's of Chavez, Cowell's own of Ives; and some of Slonimsky's bright notices; and suggestive general articles by Ives and Harris. It also contains much that is picayune, like Chandler's article on Copland and Cowell's on Harris; and is full of meaningless technical observations. And, as the thirty-one separate pieces which compose it—many of them reprints—have no relation to any common standard and are not even homogeneous in method, it merely substitutes another critical confusion for the one it pretends to abolish.

However, it affords us a precious insight into the mind of its curiously energetic editor; going far to convince us that his enemy and ours, and the source of his dilettantism, is his tendency to superficiality—a sensitiveness to the form and manner and technique rather than to the substance of music. His bellicose little preface goes far to show that he identifies the manner with the thing itself; arguing as it does that a practical familiarity with "the principles of composition" brings with it certain knowledge of what music is all about. Nowhere does he define what he means by "creative music" and "indigenous music," terms very much in favor with him. And his article on Varèse contains a tremendously significant little slip. "His longest work," writes Cowell, "is called 'Amérique,' indicating very well just what the work is—a Frenchman's concept of America." Now, the work to which Henry here has reference is not called "Amérique" but "Amériques," and it is not "a Frenchman's concept of America." It is the early piece through which the nature of his impulse, itself related to the one sung by Whitman in "Passage to India" and propulsive of efforts to seize and hold arcane realities through the medium of art, was revealed to the composer. Aware of the spiritualized Columbianism of his own motive, Varèse called the work by the generic name of undiscovered spheres. And the enjoyment of anything besides a superficial sense of his subject's year-long aim and his work would have made Cowell aware of the immensely significant final "s" in the title, and prevented him from glibly describing the piece as the "concept of America" of a "foreigner."

PAUL ROSENFELD.

The New Hagiography

St. Augustine, by Rebecca West. New York: D. Appleton-Century. 173 pages. $2.

FOR UNBELIEVERS, there is the burden of the saints. At least in the case of the great saints—the obviously intelligent, the disturbingly persuasive saints—some few of the wise, by explanation, must relieve the wonder of the many.

Miss Rebecca West tackles St. Augustine. The purpose of her biography is palpably "explanation." She corrects Augustine's own account at every crucial point; and always by sticking to the letter of a text from the gospel according to St. Oedipus. Augustine's conversion is an instance. Augustine's father stood for things Roman. He hated his father; and in things Christian lay the most lively hostility to things Roman. Augustine's mother "did not want her son to grow up." She saw in her religion "an instrument for obtaining her desire." She would urge him to the priesthood. She was smooth, competent, persistent, Augustine loved her too well: she was bound to have her way.

Miss West is firm in the conviction that Augustine should have addressed himself, not to God, but to Freud. A further conviction, however, saves his greatness for her. Miss West considers that though things so worked out that he never followed it, his vocation was obviously that of an artist; that, even while misfunctioning as a theologian in the sublimation of his struggle with his father and mother, he managed to indicate the full scope of literature, for "the greatest artists still restrict themselves to his subject matter." This is obviously an easily digestible Augustine. He did what he did for good, clear Freudian reasons; he is an artist whom we can compare to Proust, Joyce, Lawrence, Tolstoy.

Anybody who will take the trouble can make the book raise interesting issues. There is an explicit opposition. Augustine was not without perspicacity in working out his own explanation of his life. Acting as his own confessor, he used for diagnosis and cure the same concepts and methods employed in the confessional of the Catholic Church today. To the same life Miss West applies a more fashionable set of concepts. Neither can benefit from whatever bias there is toward people without "faith"; Miss West's amazing assurance in the terms of her diagnosis at a distance argues a faith no less thoroughgoing than Augustine's. Since "The Confessions" is available, there is an opportunity to compare two actually dogmatic philosophies of good and evil. It might result that a perusal of the Appleton Biography, clearly intended as a "reduction," would yield a real appreciation of St. Augustine's stature.

WILLIAM GORMAN.

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Book Notes

Americana

MIKE FINK: KING OF MISSISSIPPI KEELBOATMEN, by Walter Blair and Franklin J. Meine. *New York: Henry Holt and Company. 283 pages. $3.*

From an early day, life on the Western rivers has captivated the American imagination, and it still does, as witness the innumerable books about the Mississippi. Walter Blair and Franklin J. Meine have chosen a unique and early phase, that of the brief era of the keelboats, and have focused this by a rich and lively narrative whose hero is the redoubtable Mike Fink. They have drawn together the slender elements of biography with those of legend—an abundant but widely scattered legend whose totality is a genuine cycle revealing Mike as an American folk-hero of primary importance—a rogue, one of many whose tricks and exploits were celebrated by American story tellers in the first half of the last century, and probably the first of the considerable line. He had the prodigious physical strength of many American folk-heroes. As keelboatman, wrestler, swaggerer, loud talker, he was invincible. His life was fought out on three frontiers: at Fort Pitt, where he was born a few years before the Revolution; on the Mississippi, where he became king of the keelboatmen, and at the headwaters of the Missouri, where he turned trapper. This highly stirring book will delight the general reader with a taste for Americana. It should be studied and pondered by serious students of native literature and history; for here are characteristic flights of the American imagination, a full flow of native rhythms (in Mike's unchastened speech) and an aspect of existence on the Western rivers that was woven into the very character of the early migrations. The many illustrations, taken from old prints, are notable. Some of them suggest traditions for American graphic art well worth recovering. The bibliography is a scholar's paradise.

HOLLOW FOLK, by Mandel Sherman and Thomas R. Henry. *New York: Thomas Y. Crowell. 215 pages. $2.*

The "hollow folk" of the Blue Ridge Mountains have been isolated from practically all civilized contacts for over a century. This study of their lives and customs is full of interesting detail.

Belles Lettres

CONTEMPORARY OPINION, selected and edited by Kendall B. Taft, John Francis McDermott and Dana O. Jensen. *Boston: Houghton Mifflin Company. 601 pages. $2.*

A sequel to "Contemporary Thought," this collection of fifty challenging essays written by individuals in varied fields is designed for freshman composition courses, and for courses in expository writing, public speaking and argumentation. In making their selection the editors have consulted current undergraduate interests, and have planned the book with the purpose of showing the value of tolerance and breadth of view.

ESSAY ANNUAL: A Yearly Collection of Significant Essays, Personal, Critical, Controversial and Humorous, by Erich A. Walter. *New York: Scott, Foresman and Company. 372 pages. $1.*

This anthology of essays has been selected from current American periodicals by Erich A. Walter, who is in the Department of English at the University of Michigan. It is intended not only for university classes, teachers and librarians, but also for the general reader.

AMERICANS ABROAD: An Anthology, edited by Peter Neagoe. *The Hague: The Servire Press. 486 pages. $2.50.*

Mr. Neagoe has put together an anthology which may well be the last of its kind, for the spotlight is moving away from that corner of the post-war stage where young men practised writing for writing's sake. Pound, Joyce, Eliot and Stein dropped the barriers of formality and the runners were off. Many of the names from the expatriate magazines are here. Their work ranges from the plain sobriety of James T. Farrell to the loose excitement of Lawrence Vail and the late Harry Crosby. In the middle ground, the best stories are by John Cournos, the editor Peter Neagoe, Wambly Bald, Emanuel Carnevali. There is a story in the difficult prose of Djuna Barnes, and for once a Hemingway story that falls flat. There are two poems by E. E. Cummings in his regular style, tense couplets by Emily Holmes Coleman, fragments of the little-seen and strangely touching language of Ernest Walsh. Difficulty, escape, tenseness and strain run from cover to cover.

Public Questions

THE FARMER IS DOOMED, by Louis Hacker. *New York: The John Day Company. 31 pages. 25 cents.*

The importance of this pamphlet is out of all proportion to its length. Mr. Hacker, one of the ablest of younger American historians and co-author of "The United States Since 1865," maintains that the present collapse of American commercial agriculture is permanent. No legislative program of relief can rescue the farmer. The future course of American economic development must perforce parallel that of England after the repeal of the Corn Laws in 1846. Having monopolized the home market, American financiers and manufacturers will proceed to the exploitation of China and South America. Faced with the problem of payment for their capital investments and goods, which must be made in the form of agricultural products and raw matedials, and needing cheap foodstuffs for their army of workers, their interests as creditors and industrialists will inevitably clash with those of the farmer. In the ensuing conflict Mr. Hacker predicts that the farmer will be defeated and reduced to the status of peasantry. If these conclusions sound alarmist in view of the present boom in commodity prices, the reader is referred to the solid economic facts and figures of Mr. Hacker's argument, which considers American agriculture's historic place in the scheme of capitalist economy in both its domestic and international aspects.

FOREST BANKRUPTCY IN AMERICA, by Lieutenant-Colonel George P. Ahern, *with a foreword by Governor Gifford Pinchot. Washington: The Green Lamp League. 319 pages. $2.*

This book contains a brief but graphic picture of the forestry situation in the forty-eight states, and a practical program for the restoration and preservation of American forests. The author has previously written "Deforested America."

HOW TO RESTORE VALUES: The Quick, Safe Way Out of the Depression, by Ambrose W. Benkert in collaboration with Earl Harding. *New York: The John Day Company. 32 pages. 25 cents.*

A plea for controlled inflation and a managed currency by means of "the compensated dollar"—with an interesting short section on the effects of currency depreciation during the past decade in Germany, Argentina, Australia, Canada, Sweden, Japan and England.

THE INTERDEPENDENT WORLD AND ITS PROBLEMS, by Ramsay Muir. *Boston: Houghton Mifflin Company. 217 pages. $1.75.*

This little book sets forth, clearly and persuasively, the argument for the need of concerted action among the nations of the world in the economic, political and cultural spheres. It may be said that there is nothing new in this argument. Yet the book has a special interest because of the specific traits of the British Liberal mind which it discloses. War has become a menace to the very existence of humanity. Proof: "For nine centuries Britain has been the safest country in the world in which to dwell. . . . But under the conditions of modern warfare, Britain has become the most unsafe country in time of war." The Soviet government is described as nationalistic. The reason?—because it undertakes to set up socialism without consulting with other governments. It is perceived that prosperity and adversity, booms and slumps, are not local or national, that the course of business is affected by the action of foreign governments. The conclusion is therefore drawn that tariffs, money, the investment of capital, labor legislation, must be controlled internationally, that the nations must surrender their claim to unlimited sovereignty. But does this involve the creation of a World-State? Oh no, God forbid.

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Science

LIFE'S PLACE IN THE COSMOS, by Hiram Percy Maxim. *New York: D. Appleton-Century Company. 177 pages. $2.50.*

Mr. Maxim could have written a fascinating and valuable story of his own career as an inventor; instead, he chose to indulge in a feebly optimistic account of man, "perched upon his little speck of cosmic dust, peering out upon a hostile cosmos" (illustrated in a frontispiece of appalling tastelessness). Quantities of picturesque fact mingle with Jules Verne reflections on an inhabited Mars, and such bromides as, "For 300 million years Earth labored and finally produced you and me. We consider"—adds the inventor of ordnance and one-time associate of Sir Basil Zaharoff —"that she did a pretty creditable bit of work." Incidentally, the period of travail—as indicated by the radium clock—is about a billion years longer.

OUR STONE-PELTED PLANET, by H. H. Nininger. *Boston: Houghton Mifflin Company. 235 pages. $3.*

A description of meteors and meteorites for the layman. The author is curator of meteorites in the Colorado Museum of Natural History and director of the Nininger Museum. The book is lavishly illustrated and contains 21 maps.

Fiction

LOST LAUGHTER, by Mateel Howe Farnham. *New York: Dodd, Mead and Company. $2.50.*

"Lost Laughter" depicts the aristocratic and conventional members of the Price clan, and traces the career of its only male heir—the illegitimate offspring of the family's black sheep. Bella Price is a splendid black sheep—should we say "black ewe?"—devoid of every sheepish quality. She leaves home with about seventy dollars and a little jewelry, a young girl totally inexperienced, about to have a baby. After some years she suddenly reappears with sealskins, money galore and a dazzling store of myths about herself. Her son, thinking his mother is dead and unaware that he belongs to the Price clan, accepts Bella as a far removed cousin who has played a huge joke on her dignified family. His attitude toward her changes violently when he learns the truth. "Lost Laughter" is an entertaining book that wholly disregards the newer fashions of novel writing.

Contributors

WILLIAM T. STONE is in charge of the Washington Bureau of the Foreign Policy Association.

BABETTE DEUTSCH is the author of several volumes of poetry and fiction. Her most recent novel, "The Mask of Silenus," was published last spring by Simon and Schuster.

ABRAHAM EPSTEIN is the executive secretary of the American Association for Social Security, Inc., and the author of several books dealing with social insurance. Harrison Smith and Robert Haas have recently published his latest book, "Insecurity: A Challenge to America."

CHESTER T. CROWELL, who has done newspaper work in Texas, Mexico and New York City, is well known as a contributor to many magazines.

ALICE CORBIN, formerly an associate editor of Poetry, is the author of "Red Earth" and other books of verse. She compiled "The Turquoise Trail," an anthology of New Mexico Poetry.

ROBERT LITTELL has been literary editor of The New Republic and dramatic critic and columnist for The New York World.

LEWIS MUMFORD has written several books on architecture, art and the social sciences. He is now completing his study of "Mechanics and Civilization."

KENNETH WHITE has completed a novel and is at present working on a new play.

MATTHEW JOSEPHSON is now completing a book dealing with the rise of the great American capitalists. The John Day Company has recently published his pamphlet on the National Socialist movement under the title, "Nazi Culture: The Brown Darkness over Germany."

PAUL ROSENFELD has written several volumes of literary, music and art criticism. He is now at work on his second novel.

WILLIAM J. GORMAN is a recent graduate of the University of Michigan. He received first prize for his book review in The New Republic college contest last year, and is now free-lancing in New York City.

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